

ANNUAL STATEMENT
OF THE
Memphis Managed Care Corporation

of
Memphis
In the state of
Tennessee

TO THE
Insurance Department
OF THE STATE OF
Tennessee

FOR THE YEAR ENDED
DECEMBER 31, 2003

2003

2003



HEALTH ANNUAL STATEMENT

AS OF DECEMBER 31, 2003
OF THE CONDITION AND AFFAIRS OF THE

Memphis Managed Care Corp.

NAIC Group Code 0000 , NAIC Company Code 00000 Employer's ID Number 62-1539163
(Current Period) (Prior Period)

Organized under the Laws of Tennessee , State of Domicile or Port of Entry Tennessee

Country of Domicile US

Licensed as business type:
Life Accident and Health [] Property/Casualty [] Hospital, Medical and Dental Service or Indemnity []
Dental Service Corporation [] Vision Service Corporation [] Other []
Health Maintenance Organization [X] Is HMO Federally Qualified? Yes () No ()

Incorporated July 7, 1993 Commenced Business January 1, 1994

Statutory Home Office 1407 Union Ave, Memphis, Tennessee 38104
(Street and Number, City or Town, State and Zip Code)

Main Administrative Office 1407 Union Ave, Memphis, Tennessee 38104
(Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 1407 Union Ave, Memphis, Tennessee 38104
(Street and Number, City or Town, State and Zip Code)

Primary Location of Books and Records 1407 Union Ave, Memphis, Tennessee 38104
(Street and Number, City or Town, State and Zip Code)
(Area Code) (Telephone Number)

Internet Website Address www.mmcc-tlc.com

Statutory Statement Contact Art Ansert 901-725-7100
(Name) (Area Code) (Telephone Number) (Extension)
AAnsert@MMCC-TLC.com
(E-Mail Address) (Fax Number)

Policyowners N/A
Relations
Contact and
Phone Number
(Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number) (Extension)

OFFICERS

President: AL KING
Secretary: BRUCE STEINHAUER, DR

VICE PRESIDENTS

DIRECTORS OR TRUSTEES

STEVEN BURKETT
BRENDA JETTER
ANDY SPOONER, DR
DENNIS SCHABERG, DR
BARRY FOWLER
STUART POLLY, DR
JEFF BRANDON

State of Tennessee }
County of SHELBY } SS

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

AL KING
President
BRUCE STEINHAUER, DR
Secretary
Treasurer

Subscribed and sworn to before me this
27 day of February, 2004

NOTARY PUBLIC (Seal)

a. Is this an original filing? Yes (X) No ()
b. If no: 1. State the amendment number
2. Date filed
3. Number of pages attached

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Columns 1 minus 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	2,968,950		2,968,950	2,613,127
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common stocks				
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances)				
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Cash (\$ 6,389,811 , Schedule E - Part 1) , cash equivalents (\$, Schedule E - Part 2) and short-term investments (\$, Schedule DA)	6,389,811		6,389,811	10,318,148
6. Contract loans (including \$ premium notes)				
7. Other invested assets (Schedule BA)				
8. Receivable for securities	47,103		47,103	39,288
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Line 1 to Line 9)	9,405,864		9,405,864	12,970,563
11. Investment income due and accrued				
12. Premiums and considerations:				
12.1 Uncollected premiums and agents' balances in the course of collection				
12.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)				
12.3 Accrued retrospective premiums				
13. Reinsurance:				
13.1 Amounts recoverable from reinsurers				123,077
13.2 Funds held by or deposited with reinsured companies				
13.3 Other amounts receivable under reinsurance contracts				
14. Amounts receivable relating to uninsured plans				
15.1 Current federal and foreign income tax recoverable and interest thereon				
15.2 Net deferred tax asset				
16. Guaranty funds receivable or on deposit				
17. Electronic data processing equipment and software	1,725,392	1,725,392		
18. Furniture and equipment, including health care delivery assets (\$)	214,217	214,217		
19. Net adjustment in assets and liabilities due to foreign exchange rates				
20. Receivables from parent, subsidiaries and affiliates	223,218		223,218	51,069
21. Health care (\$ 4,875,625) and other amounts receivable	4,875,625		4,875,625	
22. Other assets nonadmitted				
23. Aggregate write-ins for other than invested assets	384,815	384,815		540,299
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Line 10 to Line 23)	16,829,131	2,324,424	14,504,707	13,685,008
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26. TOTALS (Line 24 and Line 25)	16,829,131	2,324,424	14,504,707	13,685,008
DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page				
0999. Totals (Line 0901 through Line 0903 plus Line 0998) (Line 9 above)				
2301. Prepaid Exp	374,815	374,815		
2302. Other	10,000	10,000		344,849
2303. Pharmacy Rebate				195,450
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. Totals (Line 2301 through Line 2303 plus Line 2398) (Line 23 above)	384,815	384,815		540,299

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1	2	3	4
	Covered	Uncovered	Total	Total
1. Claims unpaid (less \$ reinsurance ceded)	150,000		150,000	3,113,636
2. Accrued medical incentive pool and bonus amounts				
3. Unpaid claims adjustment expenses				
4. Aggregate health policy reserves				
5. Aggregate life policy reserves				
6. Property/casualty unearned premium reserve				
7. Aggregate health claim reserves				
8. Premiums received in advance				
9. General expenses due or accrued	4,494,720		4,494,720	2,524,905
10.1 Current federal and foreign income tax payable and interest thereon (including \$on realized capital gains (losses))				
10.2 Net deferred tax liability				
11. Ceded reinsurance premiums payable				
12. Amounts withheld or retained for the account of others				
13. Remittances and items not allocated				
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)				
15. Amounts due to parent, subsidiaries and affiliates				2,908,442
16. Payable for securities				
17. Funds held under reinsurance treaties with (\$ authorized reinsurers and \$ unauthorized reinsurers)				
18. Reinsurance in unauthorized companies				
19. Net adjustments in assets and liabilities due to foreign exchange rates				
20. Liability for amounts held under uninsured accident and health plans				
21. Aggregate write-ins for other liabilities (including \$ current)				
22. Total liabilities (Line 1 to Line 21)	4,644,720		4,644,720	8,546,983
23. Common capital stock	X X X	X X X		
24. Preferred capital stock	X X X	X X X		
25. Gross paid in and contributed surplus	X X X	X X X	3,699,618	3,699,818
26. Surplus notes	X X X	X X X	999,680	6,750,316
27. Aggregate write-ins for other than special surplus funds	X X X	X X X		
28. Unassigned funds (surplus)	X X X	X X X	5,160,489	(5,312,305)
29. Less treasury stock, at cost:				
29.1 shares common (value included in Line 23 \$)	X X X	X X X		
29.2 shares preferred (value included in Line 24 \$)	X X X	X X X		
30. Total capital and surplus (Line 23 to Line 28 minus Line 29)	X X X	X X X	9,859,787	5,137,829
31. Total liabilities, capital and surplus (Line 22 and Line 30)	X X X	X X X	14,504,507	13,684,812
DETAILS OF WRITE-INS				
2101.				
2102.				
2103.				
2198. Summary of remaining write-ins for Line 21 from overflow page				
2199. Totals (Line 2101 through Line 2103 plus Line 2198) (Line 21 above)				
2701.	X X X	X X X		
2702.	X X X	X X X		
2703.	X X X	X X X		
2798. Summary of remaining write-ins for Line 27 from overflow page	X X X	X X X		
2799. Totals (Line 2701 through Line 2703 plus Line 2798) (Line 27 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1	2	3
	Uncovered	Total	Total
1. Member Months	X X X	2,314,367	2,414,074
2. Net premium income (including \$ non-health premium income)	X X X		116,527,239
3. Change in unearned premium reserves and reserve for rate credits	X X X		
4. Fee-for-service (net of \$ medical expenses)	X X X		
5. Risk revenue	X X X		
6. Aggregate write-ins for other health care related revenues	X X X	1,100,424	456,078
7. Aggregate write-ins for other non-health revenues	X X X		
8. Total revenues (Line 2 to Line 7)	X X X	1,100,424	116,983,317
Hospital and Medical:			
9. Hospital/medical benefits		(3,028,705)	23,017,195
10. Other professional services		(189,508)	45,765,150
11. Outside referrals			
12. Emergency room and out-of-area			20,785,757
13. Prescription drugs		857	26,258,265
14. Aggregate write-ins for other hospital and medical			
15. Incentive pool, withhold adjustments, and bonus amounts			
16. Subtotal (Line 9 to Line 15)		(3,217,356)	115,826,367
Less:			
17. Net reinsurance recoveries			
18. Total hospital and medical (Line 16 minus Line 17)		(3,217,356)	115,826,367
19. Non-health claims			
20. Claims adjustment expenses		2,976,744	582,251
21. General administrative expenses		(8,977,967)	3,301,428
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)			
23. Total underwriting deductions (Line 18 through Line 22)		(9,218,579)	119,710,046
24. Net underwriting gain or (loss) (Line 8 minus Line 23)	X X X	10,319,003	(2,726,729)
25. Net investment income earned		105,122	1,065,208
26. Net realized capital gains or (losses)			
27. Net investment gains or (losses) (Line 25 plus Line 26)		105,122	1,065,208
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]			
29. Aggregate write-ins for other income or expenses			
30. Net income or (loss) before federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	10,424,125	(1,661,521)
31. Federal and foreign income taxes incurred	X X X		
32. Net income (loss) (Line 30 minus Line 31)	X X X	10,424,125	(1,661,521)
DETAILS OF WRITE-INS			
0601. Other Revenue	X X X	1,100,424	456,078
0602.	X X X		
0603.	X X X		
0698. Summary of remaining write-ins for Line 6 from overflow page	X X X		
0699. Totals (Line 0601 through Line 0603 plus Line 0698) (Line 6 above)	X X X	1,100,424	456,078
0701.	X X X		
0702.	X X X		
0703.	X X X		
0798. Summary of remaining write-ins for Line 7 from overflow page	X X X		
0799. Totals (Line 0701 through Line 0703 plus Line 0798) (Line 7 above)	X X X		
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. Totals (Line 1401 through Line 1403 plus Line 1498) (Line 14 above)			
2901.			
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page			
2999. Totals (Line 2901 through Line 2903 plus Line 2998) (Line 29 above)			

STATEMENT OF REVENUE AND EXPENSES (continued)

CAPITAL AND SURPLUS ACCOUNT	1	2
	Current Year	Prior Year
33. Capital and surplus prior reporting year	5,137,630	13,638,584
GAINS AND LOSSES TO CAPITAL AND SURPLUS		
34. Net income or (loss) from Line 32	10,424,125	(1,661,522)
35. Change in valuation basis of aggregate policy and claims reserves		
36. Net unrealized capital gains and losses		
37. Change in net unrealized foreign exchange capital gain or (loss)		
38. Change in net deferred income tax		
39. Change in nonadmitted assets	48,668	(293,494)
40. Change in unauthorized reinsurance		
41. Change in treasury stock		
42. Change in surplus notes	(5,750,636)	(6,545,535)
43. Cumulative effect of changes in accounting principles		
44. Capital Changes:		
44.1 Paid in		
44.2 Transferred from surplus (Stock Dividend)		
44.3 Transferred to surplus		
45. Surplus adjustments:		
45.1 Paid in		
45.2 Transferred to capital (Stock Dividend)		
45.3 Tranferred from capital		
46. Dividends to stockholders		
47. Aggregate write-ins for gains or (losses) in surplus		
48. Net change in capital and surplus (Line 34 to Line 47)	4,722,157	(8,500,551)
49. Capital and surplus end of reporting year (Line 33 plus Line 48)	9,859,787	5,138,033
DETAILS OF WRITE-INS		
4701.		
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page		
4799. Totals (Line 4701 through Line 4703 plus Line 4798) (Line 47 above)		

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	123,077	118,796,726
2. Net investment income	105,122	1,062,842
3. Miscellaneous income	1,100,424	456,078
4. Total (Line 1 through Line 3)	1,328,623	120,315,646
5. Benefit and loss related payments	101,899	155,374,170
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	(7,970,839)	2,745,530
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) \$ net tax on capital gains (losses)		
10. Total (Line 5 through Line 9)	(7,868,940)	158,119,700
11. Net cash from operations (Line 4 minus Line 10)	9,197,563	(37,804,054)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds		15,126,235
12.2 Stocks		
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash and short-term investments		
12.7 Miscellaneous proceeds		
12.8 Total investment proceeds (Line 12.1 through Line 12.7)		15,126,235
13. Cost of investments acquired (long-term only):		
13.1 Bonds		15,628,535
13.2 Stocks		
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications	7,815	
13.7 Total investments acquired (Line 13.1 through Line 13.6)	7,815	15,628,535
14. Net increase or (decrease) in policy loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(7,815)	(502,300)
Cash from Financing and Miscellaneous Sources		
16. Cash provided applied:		
16.1 Surplus notes, capital notes	(5,750,636)	
16.2 Capital and paid in surplus, less treasury stock	(200)	
16.3 Borrowed funds received		
16.4 Net deposits on deposit-type contract funds and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	(7,367,249)	(837,208)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(13,118,085)	(837,208)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
18. Net change in cash and short-term investments (Line 11 plus Line 15 plus Line 17)	(3,928,337)	(39,143,562)
19. Cash and short-term investments:		
19.1 Beginning of period	10,318,148	49,461,710
19.2 End of period (Line 18 plus Line 19.1)	6,389,811	10,318,148

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS (Gain and Loss Exhibit)

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Total	Comprehensive (Hospital and Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-term Care	Other Health	Other Non-Health
1. Net premium income													
2. Change in unearned premium reserves and reserve for rate credit													
3. Fee-for-service (net of \$ medical expenses)													XXX
4. Risk revenue													XXX
5. Aggregate write-ins for other health care related revenues	1,100,424											1,100,424	XXX
6. Aggregate write-ins for other non-health care related revenues		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
7. Total revenues (Line 1 to Line 6)	1,100,424											1,100,424	
8. Hospital/medical benefits	(3,028,705)							(3,028,705)					XXX
9. Other professional services	(189,508)							(189,508)					XXX
10. Outside referrals													XXX
11. Emergency room and out-of-area													XXX
12. Prescription drugs	857							857					XXX
13. Aggregate write-ins for other hospital and medical													XXX
14. Incentive pool, withhold adjustments, and bonus amounts													XXX
15. Subtotal (Line 8 to Line 14)	(3,217,356)							(3,217,356)					XXX
16. Net reinsurance recoveries													XXX
17. Total hospital and medical (Line 15 minus Line 16)	(3,217,356)							(3,217,356)					XXX
18. Non-health claims (net)		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses	2,976,744							2,976,744					
20. General administrative expenses	(8,977,967)							(8,977,967)					
21. Increase in reserves for accident and health contracts													XXX
22. Increase in reserves for life contracts		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Line 17 to Line 22)	(9,218,579)							(9,218,579)					
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	10,319,003							9,218,579				1,100,424	
DETAILS OF WRITE-INS													
0501.													XXX
0502. Other	1,100,424											1,100,424	XXX
0503.													XXX
0598. Summary of remaining write-ins for Line 5 from overflow page													XXX
0599. Total (Line 0501 through Line 0503 plus Line 0598) (Line 5 above)	1,100,424											1,100,424	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0699. Total (Line 0601 through Line 0603 plus Line 0698) (Line 6 above)		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
1301.													XXX
1302.													XXX
1303.													XXX
1398. Summary of remaining write-ins for Line 13 from overflow page													XXX
1399. Total (Line 1301 through Line 1303 plus Line 1398) (Line 13 above)													XXX

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Underwriting and Investment Exhibit , Part 1

NONE

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2 - Claims Incurred During the Year

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Total	Comprehensive (Hospital and Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other Health	Other Non-Health
1. Payments during the year:													
1.1 Direct	(253,720)							(253,720)					
1.2 Reinsurance assumed													
1.3 Reinsurance ceded													
1.4 Net	(253,720)							(253,720)					
2. Paid medical incentive pools and bonuses													
3. Claim liability December 31, current year from Part 2A:													
3.1 Direct	150,000							150,000					
3.2 Reinsurance assumed													
3.3 Reinsurance ceded													
3.4 Net	150,000							150,000					
4. Claim reserve December 31, current year from Part 2D:													
4.1 Direct													
4.2 Reinsurance assumed													
4.3 Reinsurance ceded													
4.4 Net													
5. Accrued medical incentive pools and bonuses , current year													
6. Amounts recoverable from reinsurers December 31, current year													
7. Claim liability December 31, prior year from Part 2A:													
7.1 Direct	3,113,636							3,113,636					
7.2 Reinsurance assumed													
7.3 Reinsurance ceded													
7.4 Net	3,113,636							3,113,636					
8. Claim reserve December 31, prior year from Part 2D:													
8.1 Direct													
8.2 Reinsurance assumed													
8.3 Reinsurance ceded													
8.4 Net													
9. Accrued medical incentive pools and bonuses , prior year													
10. Amounts recoverable from reinsurers December 31, prior year													
11. Incurred benefits:													
11.1 Direct	(3,217,356)							(3,217,356)					
11.2 Reinsurance assumed													
11.3 Reinsurance ceded													
11.4 Net	(3,217,356)							(3,217,356)					
12. Incurred medical incentive pools and bonuses													

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2A - Claims Liability End of Current Year

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Total	Comprehensive (Hospital and Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other Health	Other Non-Health
1. Reported in Process of Adjustment:													
1. 1 Direct													
1. 2 Reinsurance assumed													
1. 3 Reinsurance ceded													
1. 4 Net													
2. Incurred but Unreported:													
2. 1 Direct	150,000							150,000					
2. 2 Reinsurance assumed													
2. 3 Reinsurance ceded													
2. 4 Net	150,000							150,000					
3. Amounts Withheld from Paid Claims and Capitations:													
3. 1 Direct													
3. 2 Reinsurance assumed													
3. 3 Reinsurance ceded													
3. 4 Net													
4. TOTALS:													
4. 1 Direct	150,000							150,000					
4. 2 Reinsurance assumed													
4. 3 Reinsurance ceded													
4. 4 Net	150,000							150,000					

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Column 1 plus Column 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1. Comprehensive (hospital and medical)						
2. Medicare Supplement						
3. Dental Only						
4. Vision Only						
5. Federal Employees Health Benefits Plan						
6. Title XVIII - Medicare						
7. Title XIX - Medicaid	(253,720)		150,000		(103,720)	3,113,636
8. Other health						
9. Health subtotal (Line 1 to Line 8)	(253,720)		150,000		(103,720)	3,113,636
10. Other non-health						
11. Medical incentive pools, and bonus amounts						
12. Totals (Line 9 to Line 11)	(253,720)		150,000		(103,720)	3,113,636

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(000 Omitted)

Section A - Paid Health Claims - Title XIX Medicaid

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 1999	2 2000	3 2001	4 2002	5 2003
1. Prior					
2. 1999	47,841,972	12,072,862	50,255	2,480	
3. 2000	X X X	66,406,314	13,486,817	406,888	755
4. 2001	X X X	X X X	108,800,556	44,012,516	230,652
5. 2002	X X X	X X X	X X X	89,532,241	1,020,822
6. 2003	X X X	X X X	X X X	X X X	

Section B - Incurred Health Claims - Title XIX Medicaid

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year				
	1 1999	2 2000	3 2001	4 2002	5 2003
1. Prior					
2. 1999			50,255	2,480	
3. 2000	X X X		13,558,411	406,888	755
4. 2001	X X X	X X X	146,590,261	44,012,516	230,652
5. 2002	X X X	X X X	X X X	89,532,241	102,232,201
6. 2003	X X X	X X X	X X X	X X X	

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Title XIX Medicaid

Years in Which Premiums Were Earned and Claims Were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Column 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Column 2 + 3)	6 (Column 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Column 5 + 7 + 8)	10 (Column 9 / 1) Percent
1. Prior to 1999	X X X			X X X		X X X				X X X
2. 1999										
3. 2000										
4. 2001	227,755,755	153,043,724			153,043,724	67.196			153,043,724	67.196
5. 2002	116,527,239	90,553,063			90,553,063	77.710			90,553,063	77.710
6. 2003										
7. Total (Line 1 through Line 6)	X X X	243,596,787		X X X	243,596,787	X X X			243,596,787	X X X
8. Total (Line 2 through Line 6)	344,282,994	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(000 Omitted)

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 1999	2 2000	3 2001	4 2002	5 2003
1. Prior					
2. 1999	47,841,972	12,072,862	50,255	2,480	
3. 2000	X X X	66,406,314	13,486,817	406,888	755
4. 2001	X X X	X X X	108,800,556	44,012,516	230,652
5. 2002	X X X	X X X	X X X	89,532,241	1,020,822
6. 2003	X X X	X X X	X X X	X X X	

Section B - Incurred Health Claims - Grand Total

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year				
	1 1999	2 2000	3 2001	4 2002	5 2003
1. Prior					
2. 1999			50,255	2,480	
3. 2000	X X X		13,558,411	406,888	755
4. 2001	X X X	X X X	146,590,261	44,012,516	230,652
5. 2002	X X X	X X X	X X X	89,532,241	102,232,201
6. 2003	X X X	X X X	X X X	X X X	

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Grand Total

Years in Which Premiums Were Earned and Claims Were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Column 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Column 2 + 3)	6 (Column 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Column 5 + 7 + 8)	10 (Column 9 / 1) Percent
1. Prior to 1999	X X X			X X X		X X X				X X X
2. 1999										
3. 2000										
4. 2001	227,755,755	153,043,724			153,043,724	67.196			153,043,724	67.196
5. 2002	116,527,239	90,553,063			90,553,063	77.710			90,553,063	77.710
6. 2003										
7. Total (Line 1 through Line 6)	X X X	243,596,787		X X X	243,596,787	X X X			243,596,787	X X X
8. Total (Line 2 through Line 6)	344,282,994	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X

Page 13

Underwriting and Investment Exhibit , Part 2D

NONE

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - ANALYSIS OF EXPENSES

	1	2	3	4
	Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1. Rent (\$ for occupancy of own building)	140,816	524,934		665,750
2. Salaries, wages and other benefits	2,521,783	9,484,798		12,006,581
3. Commissions (less \$ ceded plus \$ assumed)				
4. Legal fees and expenses		73,675		73,675
5. Certifications and accreditation fees				
6. Auditing, actuarial and other consulting services	268,709	2,940,307		3,209,016
7. Traveling expenses	927	140,195		141,122
8. Marketing and advertising				
9. Postage, express, and telephone	24,130	560,484		584,614
10. Printing and office supplies	11,435	129,470		140,905
11. Occupancy, depreciation and amortization	8,943	1,235,310		1,244,253
12. Equipment		294,834		294,834
13. Cost or depreciation of EDP equipment and software		869,990		869,990
14. Outsourced services including EDP, claims, and other services				
15. Boards, bureaus and association fees		53,000		53,000
16. Insurance, except on real estate		240,530		240,530
17. Collection and bank service charges			38,465	38,465
18. Group service and administration fees				
19. Reimbursements by uninsured accident and health plans				
20. Reimbursements from fiscal intermediaries				
21. Real estate expenses				
22. Real estate taxes				
23. Taxes, licenses and fees:				
23.1 State and local insurance taxes				
23.2 State premium taxes				
23.3 Regulator authority licenses and fees				
23.4 Payroll taxes				
23.5 Other (excluding federal income and real estate taxes)				
24. Investment expenses not included elsewhere				
25. Aggregate write-ins for expenses		(25,563,959)		(25,563,959)
26. Total expenses incurred (Line 1 to Line 25)	2,976,743	(9,016,432)	38,465	(a) (6,001,224)
27. Less expenses unpaid December 31, current year		4,494,720		4,494,720
28. Add expenses unpaid December 31, prior year		2,524,905		2,524,905
29. Amounts receivable relating to uninsured accident and health plans, prior year				
30. Amounts receivable relating to uninsured accident and health plans, current year				
31. Total expenses paid (Line 26 minus Line 27 plus Line 28 minus Line 29 plus Line 30)	2,976,743	(10,986,247)	38,465	(7,971,039)
DETAILS OF WRITE-INS				
2501. ASO REVENUE		(26,597,628)		(26,597,628)
2502. INTEREST EXP		1,033,669		1,033,669
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)		(25,563,959)		(25,563,959)

(a) Includes management fees of \$ to affiliates and \$ to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1	2
	Collected During Year	Earned During Year
1. U. S. Government bonds	(a) 118, 122	125, 937
1.1 Bonds exempt from U. S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a)	
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates		
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash/short-term investments	(e) 97, 985	97, 985
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income		(118, 800)
10. Total gross investment income	216, 107	105, 122
11. Investment expenses		(g) 38, 465
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		
16. Totals deductions (Line 11 through Line 15)		38, 465
17. Net investment income (Line 10 minus Line 16)		66, 657
DETAILS OF WRITE-INS		
0901. Prior period Int due to State		(118, 800)
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. Totals (Line 0901 through Line 0903 plus Line 0998) (Line 9 above)		(118, 800)
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. Totals (Line 1501 through Line 1503 plus Line 1598) (Line 15 above)		
(a) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.	(f) Includes \$ accrual of discount less \$ amortization of premium.	
(b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.	(g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.	
(c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.	(h) Includes \$ interest on surplus notes and \$ interest on capital notes.	
(d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.	(i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.	
(e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.		

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4	5
	Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Increases (Decreases) by Adjustment	Net Gain (Loss) from Change in Difference Between Basis Book/Adjusted Carrying and Admitted Values	Total
1. U. S. Government bonds					
1.1 Bonds exempt from U. S. tax					
1.2 Other bonds (unaffiliated)					
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)					
2.21 Common stocks of affiliates					
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash/short-term investments					
7. Derivative instruments					
8. Other invested assets					
9. Aggregate write-ins for capital gains (losses)					
10. Total capital gains (losses)					
DETAILS OF WRITE-INS					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. Totals (Line 0901 through Line 0903 plus Line 0998) (Line 9 above)					

EXHIBIT 1 - ANALYSIS OF NONADMITTED ASSETS AND RELATED ITEMS

	1 End of Current Year	2 End of Prior Year	3 Changes for Year (Increase) or Decrease
1. Summary of items Page 2, Line 10 to Line 20, Column 2	2,324,424	2,373,092	48,668
2. Other Nonadmitted Assets:			
2.1 Bills receivable			
2.2 Leasehold improvements			
2.3 Cash advanced to or in hands of officers and agents			
2.4 Loans on personal security, endorsed or not			
2.5 Commuted commissions			
3. Total (Line 2.1 to Line 2.5)			
4. Aggregate write-ins for other than invested assets			
5. Total (Line 1 plus Line 3 and Line 4)	2,324,424	2,373,092	48,668
DETAILS OF WRITE-INS			
0401.			
0402.			
0403.			
0498. Summary of remaining write-ins for Line 4 from overflow page			
0499. Totals (Line 0401 through Line 0403 plus Line 0498) (Line 4 above)			

EXHIBIT 2 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations	2,414,074	197,048	189,152	195,964	194,981	2,314,367
2. Provider Service Organizations						
3. Preferred Provider Organizations						
4. Point of Service						
5. Indemnity Only						
6. Aggregate write-ins for other lines of business						
7. Total	2,414,074	197,048	189,152	195,964	194,981	2,314,367
DETAILS OF WRITE-INS						
0601						
0602						
0603						
0698. Summary of remaining write-ins for Line 6 from overflow page						
0699. Totals (Line 0601 through Line 0603 plus Line 0698) (Line 6 above)						

HEALTH ANNUAL STATEMENT

AS OF DECEMBER 31, 2003
OF THE CONDITION AND AFFAIRS OF THE

Memphis Managed Care Corp.

NAIC Group Code 0000 (Current Period) , (Prior Period) NAIC Company Code 00000 Employer's ID Number 62-1539163

Organized under the Laws of Tennessee , State of Domicile or Port of Entry Tennessee

Country of Domicile US

Licensed as business type:

Life Accident and Health [] Dental Service Corporation [] Health Maintenance Organization [X] Property/Casualty [] Vision Service Corporation [] Is HMO Federally Qualified? Yes () No () Hospital, Medical and Dental Service or Indemnity [] Other []

Incorporated July 7, 1993 Commenced Business January 1, 1994

Statutory Home Office 1407 Union Ave, Memphis, Tennessee 38104 (Street and Number, City or Town, State and Zip Code)

Main Administrative Office 1407 Union Ave, Memphis, Tennessee 38104 (Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 1407 Union Ave, Memphis, Tennessee 38104 (Street and Number, City or Town, State and Zip Code)

Primary Location of Books and Records 1407 Union Ave, Memphis, Tennessee 38104 (Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.mmcc-tlc.com

Statutory Statement Contact Art Ansert (Name) 901-725-7100 (Area Code) (Telephone Number) (Extension) AAnsert@MMCC-TLC.com (E-Mail Address) (Fax Number)

Policyowners Relations Contact and Phone Number N/A (Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number) (Extension)

OFFICERS

President: AL KING
Secretary: BRUCE STEINHAUER, DR

VICE PRESIDENTS

DIRECTORS OR TRUSTEES

STEVEN BURKETT
BRENDA JETTER
ANDY SPOONER, DR
DENNIS SCHABERG, DR
BARRY FOWLER
STUART POLLY, DR
JEFF BRANDON

State of Tennessee }
County of SHELBY } SS

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

AL KING President BRUCE STEINHAUER, DR Secretary Treasurer

Subscribed and sworn to before me this
27 day of February, 2004

NOTARY PUBLIC (Seal)

a. Is this an original filing? Yes (X) No ()
b. If no: 1. State the amendment number
2. Date filed
3. Number of pages attached

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Exhibit 3 , Accident and Health Premiums Due and Unpaid

NONE

EXHIBIT 4 - HEALTH CARE RECEIVABLES

1	2	3	4	5	6	7
Name of Debtor	1 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Nonadmitted	Admitted
Gross health care receivables						
State of Tennessee	4,875,625					4,875,625
0599999 - Gross health care receivables	4,875,625					4,875,625

EXHIBIT 5 - CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
0599999 - Unreported Claims and other claim reserves						150,000
0799999 - Total claims unpaid.						150,000

EXHIBIT 6 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

1 Name of Affiliate	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	Admitted	
						7 Current	8 Non-Current
Individually listed receivables							
The Regional Medical Center.....	223,218					223,218	
0199999 - Subtotal - Individually listed receivables.....	223,218					223,218	
0399999 - TOTAL gross amounts receivable.....	223,218					223,218	

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Exhibit 7 , Amounts Due to Parent , Subsidiaries and Affiliates

NONE

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT 8 - PART 1 - SUMMARY OF TRANSACTIONS WITH PROVIDERS

Payment Method	1 Direct Medical Expense Payment	2 Column 1 as a Percentage of Total	3 Total Members Covered	4 Column 3 as a Percentage of Total	5 Column 1 Expenses Paid to Affiliated Providers	6 Column 1 Expenses Paid to Non-Affiliated Providers
Capitation Payments:						
1. Medical groups			2,314,367	100.000		
2. Intermediaries						
3. All other providers						
4. Total capitation payments			2,314,367	100.000		
Other Payments:						
5. Fee-for-service			X X X	X X X		
6. Contractual fee payments			X X X	X X X		
7. Bonus/withhold arrangements - fee-for-service			X X X	X X X		
8. Bonus/withhold arrangements - contractual fee payments			X X X	X X X		
9. Non-contingent salaries			X X X	X X X		
10. Aggregate cost arrangements			X X X	X X X		
11. All other payments			X X X	X X X		
12. Total other payments			X X X	X X X		
13. Total (Line 4 plus Line 12)		100%	X X X	X X X		

EXHIBIT 8 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

1 NAIC Code	2 Name of Intermediary	3 Capitation Paid	4 Average Monthly Capitation	5 Intermediary's Total Adjusted Capital	6 Intermediary's Authorized Control Level RBC
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ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT 9 - FURNITURE, EQUIPMENT AND SUPPLIES OWNED

	1	2	3	4	5	6
Description	Cost	Improvements	Accumulated Depreciation	Book Value Less Encumbrances	Assets Not Admitted	Net Admitted Assets
1. Administrative furniture and equipment	6,715,687		4,776,078	1,939,609	1,939,609	
2. Medical furniture, equipment and fixtures						
3. Pharmaceuticals and surgical supplies						
4. Durable medical equipment						
5. Other property and equipment						
6. Total	6,715,687		4,776,078	1,939,609	1,939,609	

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF ALABAMA DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF ALASKA DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF ARIZONA DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF ARKANSAS DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF CALIFORNIA DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF COLORADO DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF CONNECTICUT DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF DELAWARE DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF DISTRICT OF COLUMBIA DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
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13. Life Premiums Direct													
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15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
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18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF FLORIDA DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
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15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF GEORGIA DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
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15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF HAWAII DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
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13. Life Premiums Direct													
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15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF IDAHO DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
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12. Health Premiums Collected													
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15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF ILLINOIS DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
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15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
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18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF INDIANA DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
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15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF IOWA DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
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13. Life Premiums Direct													
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15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF KANSAS DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF KENTUCKY DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
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9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF LOUISIANA DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
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12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF MAINE DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
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9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF MARYLAND DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
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5. Current Year													
6. Current Year Member Months													
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(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF MASSACHUSETTS DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
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6. Current Year Member Months													
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16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF MICHIGAN DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
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6. Current Year Member Months													
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(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF MINNESOTA DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
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6. Current Year Member Months													
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17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF MISSISSIPPI DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF MISSOURI DURING THE YEAR 2003

	1 Total	Comprehensive (Hospital and Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Stop Loss	11 Disability Income	12 Long-Term Care	13 Other
		2 Individual	3 Group										
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF MONTANA DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF NEBRASKA DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF NEVADA DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF NEW HAMPSHIRE DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF NEW JERSEY DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF NEW MEXICO DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF NEW YORK DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF NORTH CAROLINA DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF NORTH DAKOTA DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF OHIO DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF OKLAHOMA DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF OREGON DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF PENNSYLVANIA DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF RHODE ISLAND DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF SOUTH CAROLINA DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

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ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF SOUTH DAKOTA DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF TENNESSEE DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year	2,414,074								2,414,074				
2. First Quarter	197,048								197,048				
3. Second Quarter	189,152								189,152				
4. Third Quarter	195,964								195,964				
5. Current Year	194,981								194,981				
6. Current Year Member Months	2,314,367								2,314,367				
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services	(3,217,356)								(3,217,356)				

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF TEXAS DURING THE YEAR 2003

	1 Total	Comprehensive (Hospital and Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Stop Loss	11 Disability Income	12 Long-Term Care	13 Other
		2 Individual	3 Group										
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF UTAH DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF VERMONT DURING THE YEAR 2003

	1 Total	Comprehensive (Hospital and Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Stop Loss	11 Disability Income	12 Long-Term Care	13 Other
		2 Individual	3 Group										
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF VIRGINIA DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF WASHINGTON DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF WEST VIRGINIA DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF WISCONSIN DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF WYOMING DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF AMERICAN SAMOA DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF GUAM DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF PUERTO RICO DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF U.S. VIRGIN ISLANDS DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF CANADA DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF OTHER ALIEN DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

NAIC Group Code: 0000

NAIC Company Code: 00000

BUSINESS IN THE STATE OF GRAND TOTAL DURING THE YEAR 2003

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year	2,414,074								2,414,074				
2. First Quarter	197,048								197,048				
3. Second Quarter	189,152								189,152				
4. Third Quarter	195,964								195,964				
5. Current Year	194,981								194,981				
6. Current Year Member Months	2,314,367								2,314,367				
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services	(3,217,356)								(3,217,356)				

(a) For health business: number of persons insured under PPO managed care productsand number of persons insured under indemnity only products

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Schedule A, Verification Between Years
NONE

Schedule B, Verification Between Years
NONE

Schedule BA, Verification Between Years
NONE

SCHEDULE D - PART 1A - SECTION 1

Quality and Maturity Distribution of All Bonds Owned December 31 , at Book / Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total from Column 6 Prior Year	9 % From Column 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
1. U.S. Governments, Schedules D and DA (Group 1)											
1.1 Class 1		2,968,950				2,968,950	100.0	2,613,127		2,968,950	
1.2 Class 2											
1.3 Class 3											
1.4 Class 4											
1.5 Class 5											
1.6 Class 6											
1.7 Totals		2,968,950				2,968,950	100.0	2,613,127		2,968,950	
2. All Other Governments , Schedules D and DA (Group 2)											
2.1 Class 1											
2.2 Class 2											
2.3 Class 3											
2.4 Class 4											
2.5 Class 5											
2.6 Class 6											
2.7 Totals											
3. States, Territories and Possessions etc. , Guaranteed, Schedules D and DA (Group 3)											
3.1 Class 1											
3.2 Class 2											
3.3 Class 3											
3.4 Class 4											
3.5 Class 5											
3.6 Class 6											
3.7 Totals											
4. Political Subdivisions of States, Territories and Possessions, Guaranteed, Schedules D and DA (Group 4)											
4.1 Class 1											
4.2 Class 2											
4.3 Class 3											
4.4 Class 4											
4.5 Class 5											
4.6 Class 6											
4.7 Totals											
5. Special Revenue and Special Assessment Obligations etc. , Non-Guaranteed, Schedules D and DA (Group 5)											
5.1 Class 1											
5.2 Class 2											
5.3 Class 3											
5.4 Class 4											
5.5 Class 5											
5.6 Class 6											
5.7 Totals											

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31 , at Book / Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total from Column 6 Prior Year	9 % From Column 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
6. Public Utilities (Unaffiliated) , Schedules D and DA (Group 6)											
6.1 Class 1											
6.2 Class 2											
6.3 Class 3											
6.4 Class 4											
6.5 Class 5											
6.6 Class 6											
6.7 Totals											
7. Industrial and Miscellaneous (Unaffiliated) , Schedules D and DA (Group 7)											
7.1 Class 1											
7.2 Class 2											
7.3 Class 3											
7.4 Class 4											
7.5 Class 5											
7.6 Class 6											
7.7 Totals											
8. Credit Tenant Loans , Schedules D and DA (Group 8)											
8.1 Class 1											
8.2 Class 2											
8.3 Class 3											
8.4 Class 4											
8.5 Class 5											
8.6 Class 6											
8.7 Totals											
9. Parent, Subsidiaries and Affiliates, Schedules D and DA (Group 9)											
9.1 Class 1											
9.2 Class 2											
9.3 Class 3											
9.4 Class 4											
9.5 Class 5											
9.6 Class 6											
9.7 Totals											

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE Memphis Managed Care Corp .

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31 , at Book / Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10. 7	8 Total from Column 6 Prior Year	9 % From Column 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
10. Total Bonds Current Year											
10.1 Class 1		2,968,950				2,968,950	100.0	XXX	XXX	2,968,950	
10.2 Class 2								XXX	XXX		
10.3 Class 3								XXX	XXX		
10.4 Class 4								XXX	XXX		
10.5 Class 5								XXX	XXX		
10.6 Class 6						(c) (c)		XXX	XXX		
10.7 Totals		2,968,950				(b) 2,968,950	100.0	XXX	XXX	2,968,950	
10.8 Line 10.7 as a % of Column 6		100.0				100.0	XXX	XXX	XXX	100.0	
11. Total Bonds Prior Year											
11.1 Class 1		2,613,127				XXX	XXX	2,613,127		2,613,127	
11.2 Class 2						XXX	XXX				
11.3 Class 3						XXX	XXX				
11.4 Class 4						XXX	XXX				
11.5 Class 5						XXX	XXX	(c)			
11.6 Class 6						XXX	XXX	(c)			
11.7 Totals		2,613,127				XXX	XXX	(b) 2,613,127		2,613,127	
11.8 Line 11.7 as a % of Column 8		100.0				XXX	XXX	100.0	XXX	100.0	
12. Total Publicly Traded Bonds											
12.1 Class 1		2,968,950				2,968,950	100.0	2,613,127		2,968,950	XXX
12.2 Class 2											XXX
12.3 Class 3											XXX
12.4 Class 4											XXX
12.5 Class 5											XXX
12.6 Class 6											XXX
12.7 Totals		2,968,950				2,968,950	100.0	2,613,127		2,968,950	XXX
12.8 Line 12.7 as a % of Column 6		100.0				100.0	XXX	XXX	XXX	100.0	XXX
12.9 Line 12.7 as a % of Line 10.7, Column 6, Section 10		100.0				100.0	XXX	XXX	XXX	100.0	XXX
13. Total Privately Placed Bonds											
13.1 Class 1										XXX	
13.2 Class 2										XXX	
13.3 Class 3										XXX	
13.4 Class 4										XXX	
13.5 Class 5										XXX	
13.6 Class 6										XXX	
13.7 Totals										XXX	
13.8 Line 13.7 as a % of Column 6							XXX	XXX	XXX	XXX	
13.9 Line 13.7 as a % of Line 10.7, Column 6, Section 10							XXX	XXX	XXX	XXX	

(a) Includes \$ freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.
(b) Includes \$ current year, \$ prior year of bonds with Z designations and \$ current year, \$ prior year of bonds with Z* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z*" means the SVO could not evaluate the obligation because valuation procedures for the security class is under regulatory review.
(c) Includes \$ current year, \$ prior year of bonds with 5* designations and \$ current year, \$ prior year of bonds with 6* designations. "5*" means the NAIC designation was assigned by the SVO in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

SCHEDULE D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31 , At Book /Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total From Column 6 Prior Year	9 % From Column 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
1. U.S. Governments, Schedules D and DA (Group 1)											
1.1 Issuer Obligations		2,986,950				2,986,950	100.0	2,613,127		2,986,950	
1.2 Single Class Mortgage-Backed/Asset-Backed Securities											
1.7 Totals		2,986,950				2,986,950	100.0	2,613,127		2,986,950	
2. All Other Governments, Schedules D and DA (Group 2)											
2.1 Issuer Obligations											
2.2 Single Class Mortgage-Backed/Asset-Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
2.3 Defined											
2.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
2.5 Defined											
2.6 Other											
2.7 Totals											
3. States, Territories and Possessions, Guaranteed, Schedules D and DA (Group 3)											
3.1 Issuer Obligations											
3.2 Single Class Mortgage-Backed/Asset-Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
3.3 Defined											
3.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
3.5 Defined											
3.6 Other											
3.7 Totals											
4. Political Subdivisions of States, Territories and Possessions, Guaranteed, Schedules D and DA (Group 4)											
4.1 Issuer Obligations											
4.2 Single Class Mortgage-Backed/Asset-Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
4.3 Defined											
4.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
4.5 Defined											
4.6 Other											
4.7 Totals											
5. Special Revenue and Special Assessment Obligations etc. , Non-Guaranteed, Schedules D and DA (Group 5)											
5.1 Issuer Obligations											
5.2 Single Class Mortgage-Backed/Asset-Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
5.3 Defined											
5.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
5.5 Defined											
5.6 Other											
5.7 Totals											

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31 , At Book /Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total From Column 6 Prior Year	9 % From Column 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
6. Public Utilities (Unaffiliated) , Schedules D and DA (Group 6)											
6.1 Issuer Obligations											
6.2 Single Class Mortgage-Backed/Asset-Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
6.3 Defined											
6.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
6.5 Defined											
6.6 Other											
6.7 Totals											
7. Industrial and Miscellaneous (Unaffiliated) , Schedules D and DA (Group 7)											
7.1 Issuer Obligations											
7.2 Single Class Mortgage-Backed/Asset-Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
7.3 Defined											
7.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
7.5 Defined											
7.6 Other											
7.7 Totals											
8. Credit Tenant Loans, Schedules D and DA (Group 8)											
8.1 Issuer Obligations											
8.7 Totals											
9. Parent, Subsidiaries and Affiliates , Schedules D and DA (Group 9)											
9.1 Issuer Obligations											
9.2 Single Class Mortgage-Backed/Asset-Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
9.3 Defined											
9.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
9.5 Defined											
9.6 Other											
9.7 Totals											

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31 , At Book /Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total From Column 6 Prior Year	9 % From Column 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
10. Total Bonds Current Year											
10.1 Issuer Obligations		2,986,950				2,986,950	100.0	XXX	XXX	2,986,950	
10.2 Single Class Mortgage-Backed/Asset-Backed Securities								XXX	XXX		
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
10.3 Defined								XXX	XXX		
10.4 Other								XXX	XXX		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
10.5 Defined								XXX	XXX		
10.6 Other								XXX	XXX		
10.7 Totals		2,986,950				2,986,950	100.0	XXX	XXX	2,986,950	
10.8 Line 10.7 as a % of Column 6		100.0				100.0	XXX	XXX	XXX	100.0	
11. Total Bonds Prior Year											
11.1 Issuer Obligations		2,613,127				XXX	XXX	2,613,127		2,613,127	
11.2 Single Class Mortgage-Backed/Asset-Backed Securities						XXX	XXX				
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
11.3 Defined						XXX	XXX				
11.4 Other						XXX	XXX				
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
11.5 Defined						XXX	XXX				
11.6 Other						XXX	XXX				
11.7 Totals		2,613,127				XXX	XXX	2,613,127		2,613,127	
11.8 Line 11.7 as a % of Column 8		100.0				XXX	XXX		XXX	100.0	
12. Total Publicly Traded Bonds											
12.1 Issuer Obligations		2,986,950				2,986,950	100.0	2,613,127		2,986,950	XXX
12.2 Single Class Mortgage-Backed/Asset-Backed Securities											XXX
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
12.3 Defined											XXX
12.4 Other											XXX
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
12.5 Defined											XXX
12.6 Other											XXX
12.7 Totals		2,986,950				2,986,950	100.0	2,613,127		2,986,950	XXX
12.8 Line 12.7 as a % of Column 6		100.0				100.0	XXX	XXX	XXX	100.0	XXX
12.9 Line 12.7 as a % of Line 10.7, Column 6, Section 10		100.0				100.0	XXX	XXX	XXX	100.0	XXX
13. Total Privately Placed Bonds											
13.1 Issuer Obligations										XXX	
13.2 Single Class Mortgage-Backed/Asset-Backed Securities										XXX	
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
13.3 Defined										XXX	
13.4 Other										XXX	
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
13.5 Defined										XXX	
13.6 Other										XXX	
13.7 Totals										XXX	
13.8 Line 13.7 as a % of Column 6							XXX	XXX	XXX	XXX	
13.9 Line 13.7 as a % of Line 10.7, Column 6, Section 10							XXX	XXX	XXX	XXX	

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Sch. DA, Pt. 2, Verification of Short-Term Investments
NONE

Page 45

Schedule DB, Part A, Verification Between Years
NONE

Schedule DB, Part B, Verification Between Years
NONE

Page 46

Schedule DB, Part C, Verification Between Years
NONE

Schedule DB, Part D, Verification Between Years
NONE

Schedule DB, Part E, Verification of Statement and Fair Values
NONE

Page 47

Sch. DB, Pt. F, Sn. 1, Summary Replicated (Syn.) Assets Open
NONE

Page 48

Sch. DB, Pt. F, Sn. 2, Reconciliation Replicated (Syn.) Assets
NONE

Page 49

Sch. S, Pt. 1, Sn. 2 Reinsurance Assumed Accident and Health
NONE

Page 50

Sch. S, Pt. 2, Reinsurance Recoverable on Paid and Unpaid Losses
NONE

Page 51

Sch. S, Pt. 3, Sn. 2, Reinsurance Ceded Accident and Health
NONE

Page 52

Sch. S, Pt. 4, Reinsurance Ceded to Unauthorized Companies
NONE

SCHEDULES S - PART 5

Five-Year Exhibit of Reinsurance Ceded Business
(000 Omitted)

	1 2003	2 2002	3 2001	4 2000	5 1999
A. OPERATIONS ITEMS					
1. Premiums					
2. Title XVIII - Medicare					
3. Title XIX - Medicaid		2,697	2,366	2,098	1,220
4. Commissions and reinsurance expense allowance					
5. Total hospital and medical expenses		215	2,478	2,589	712
B. BALANCE SHEET ITEMS					
6. Premiums receivable					
7. Claims payable					
8. Reinsurance recoverable on paid losses		123	217	1,195	20
9. Experience rating refunds due or unpaid					
10. Commissions and reinsurance expense allowances unpaid					
11. Unauthorized reinsurance offset					
C. UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM)					
12. Funds deposited by and withheld from (F)					
13. Letters of credit (L)					
14. Trust agreements (T)					
15. Other (O)					

SCHEDULE S - PART 6

Restatement of Balance Sheet to Identify Net Credit for Ceded Reinsurance

	1 As Reported (net of ceded)	2 Restatement Adjustments	3 Restated (gross of ceded)
ASSETS (Page 2, Column 3)			
1. Cash and invested assets (Line 10)	9,405,864		9,405,864
2. Accident and health premiums due and unpaid (Line 12)			
3. Amounts recoverable from reinsurers (Line 13.1)			
4. Net credit for ceded reinsurance	X X X		
5. All other admitted assets (Balance)	5,098,843		5,098,843
6. Total assets (Line 26)	14,504,707		14,504,707
LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
7. Claims unpaid (Line 1)	150,000		150,000
8. Accrued medical incentive pool and bonus payments (Line 2)			
9. Premiums received in advance (Line 8)			
10. Reinsurance in unauthorized companies (Line 18)			
11. All other liabilities (Balance)	4,494,720		4,494,720
12. Total liabilities (Line 22)	4,644,720		4,644,720
13. Total capital and surplus (Line 30)	9,859,787	X X X	9,859,787
14. Total liabilities, capital and surplus (Line 31)	14,504,507		14,504,507
NET CREDIT FOR CEDED REINSURANCE			
15. Claims unpaid			
16. Accrued medical incentive pool			
17. Premiums received in advance			
18. Reinsurance recoverable on paid losses			
19. Other ceded reinsurance recoverables			
20. Total ceded reinsurance recoverables			
21. Premiums receivable			
22. Unauthorized reinsurance			
23. Other ceded reinsurance payables/offsets			
24. Total ceded reinsurance payables/offsets			
25. Total net credit for ceded reinsurance			

Sch. Y, Pt. 2, Insurer's Transactions with any Affiliates

NONE

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing . However , in the event that your company does not transact the type of business for which the special report must be filed , your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below . If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions .

MARCH FILING	RESPONSE
1. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?	
EXPLANATION:	
BARCODE:	
Document Identifier 360:	
2. Will the Supplemental compensation Exhibit be filed with the state of domicile by March 1?	
EXPLANATION:	
BARCODE:	
Document Identifier 460:	
3. Will an actuarial certification be filed by March 1?	
EXPLANATION:	
BARCODE:	
Document Identifier 440:	
4. Will the Risk-based Capital Report be filed with the NAIC by March 1?	
EXPLANATION:	
BARCODE:	
Document Identifier 390:	
5. Will the Risk-based Capital be filed with the state of domicile , if required , by March 1?	
EXPLANATION:	
BARCODE:	
Document Identifier 390:	
6. Will the SVO Compliance Certification be filed by March 1?	
EXPLANATION:	
BARCODE:	
Document Identifier 470:	

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However , in the event that your company does not transact the type of business for which the special report must be filed , your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below . If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions .

RESPONSE

7. Will the Life Supplement be filed with the state of domicile and the NAIC by March 1?

EXPLANATION:

.....

BARCODE:

Document Identifier 205:

8. Will the Property/Casualty Supplement be filed with the state of domicile and the NAIC by March 1?

EXPLANATION:

.....

BARCODE:

Document Identifier 207:

APRIL FILING

9. Will Management's Discussion and Analysis be filed by April 1?

EXPLANATION:

.....

BARCODE:

Document Identifier 350:

10. Will the Long-term Care Experience Reporting Forms be filed with the state of domicile by April 1?

EXPLANATION:

.....

BARCODE:

Document Identifier 330:

11. Will the Investment Risks Interrogatories be filed by April 1?

EXPLANATION:

.....

BARCODE:

Document Identifier 285:

JUNE FILING

12. Will an audited financial report be filed by June 1 with the state of domicile?

EXPLANATION:

.....

BARCODE:

Document Identifier 220:

NOTES TO FINANCIAL STATEMENTS

Annual Statement for the Year 2003 of Memphis Managed Care Corporation

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of Memphis Managed Care Corporation (MMCC) (The Company) have been prepared in accordance with the NAIC Accounting Practice and Procedure Manual or as permitted by the Tennessee Department of Commerce and Insurance (TDCI)

The company, at the direction of the Commissioner of Insurance of the State of Tennessee for the period January 1, 2003 – December 31, 2003, on report #2A records claims reimbursements and administrative reimbursements as premiums, instead of netting them against claims and general administrative expenses respectively as required by SAP. Claims reimbursements for the period totaled \$396,665,509 while administrative reimbursements totaled \$26,597,628.

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with the Annual Statement Instructions and Accounting Practice and Procedures manual requires the use of management's estimates and assumptions that affect reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts and expenses during the period. Actual results could differ from those estimates.

- 1) Short-term investments are stated at amortized cost.
- 2) Bonds are stated at amortized cost using the effective interest method.
- 3) The company does not hold common stock.
- 4) The company does not hold preferred stock.
- 5) The company does not hold mortgage loans.
- 6) The company does not hold loan-backed securities.
- 7) The company does not hold investments in subsidiaries, controlled and affiliated companies.
- 8) The company does not have minor ownership interests in joint ventures.
- 9) The company does not carry derivatives.

2. Accounting Changes and Corrections of Errors

A. Disclosure of material changes in accounting principles and or errors

N/A

3. Business Combinations and Goodwill

A. Statutory Purchase Method

N/A

B. Merger

N/A

C. Impairment Loss

N/A

NOTES TO FINANCIAL STATEMENTS

4. Discontinued Operations

N/A

5. Investments

A. Mortgage Loans

N/A

B. Debt Restructuring

N/A

C. Reverse Mortgages

N/A

D. Loan Backed Securities

N/A

E. Repurchase Agreements

N/A

6. Joint Ventures, Partnerships and Limited Liability Companies

N/A

7. Investment Income

A. N/A

B. Total Amount excluded was \$0

8. Derivative Instruments

9. Income Tax

A. Components of net deferred income tax asset or liability

N/A

B. DTLs not recognized

N/A

C. Significant components of income taxes incurred

N/A

D. Significant reconciling items of income taxes incurred

N/A

E(1). Operating loss and tax credit carry forwards

N/A

E(2). Recoupment of Income taxes available in the event of future losses

N/A

F Consolidated federal Income tax return

N/A

10. Information Concerning Parent, Subsidiaries and Affiliates

A. The company is jointly owned by The Regional Medical Center (The Med) & University of Tennessee Medical Group (UTMG).

NOTES TO FINANCIAL STATEMENTS

	B.	Description of transactions
		N/A
	C.	Dollar amount of Transactions
		N/A
	D.	The company reported \$223,218 due from The Med for MedCall & MRI services rendered.
	E.	Guarantees or undertakings for the benefit of an affiliate
		N/A
	F.	Description of any material management contracts with related parties
		N/A
	G.	Ownership in the company is 50% The Med, 50% UTMG
	H.	Amount deducted from the value of an upstream intermediate entity
		N/A
	I.	Investment in SCA in excess of SCA entity
		N/A
	J.	Investment in SCA entity
		N/A
11.	Debt	
	A.	Capital Notes
		N/A
	B.	Other Debt
		N/A
12.	Retirement Plans, Deferred Compensation, Post employment Benefits and compensated Absences and other Postretirement Benefit Plans	
	B.	Defined Contribution Plan
		MMCC provides a 401K Retirement Plan for its associates. Associates may elect to defer from 1% to 15% of their salary. MMCC matches \$.50 of every \$1.00 up to a maximum of 6% of the Associate's salary. Vesting is based on the length of service of the Associate. 100% Vesting occurs at 6 years of service. MMCC funds it contributions monthly.
	C.	Multiemployer Plans
		N/A
	D.	Consolidated/Holdings Company Plans
		N/A
	E.	Post employment Benefits and Compensated Absences
		N/A
13.	Capital and Surplus, Shareholders' Dividend Restrictions and Quasi Reorganizations.	
	1)	The company has Surplus Notes Outstanding as of 12-31-03 in the amount of \$1,000,000.00
	2)	The company has no preferred stock outstanding
	3)	Dividend Restrictions – N/A

NOTES TO FINANCIAL STATEMENTS

- 4) Restrictions on unassigned Funds – None
- 5) The State of Tennessee requires the company to hold statutory deposits in the amount of 2,955,000
- 6) For mutuals, and similarly organized companies the total amount of advances to surplus not repaid. – N/A
- 7) Total Amount of Stock Held by the company – N/A
- 8) Changes in special surplus funds – N/A
- 9) Portion of unassigned funds (surplus) represented or reduced by each of the following items:

a. Unrealized gains and losses - N/A

b. Nonadmitted assets 2,324,424

c. Stock purchase warrants N/A
- 10) Surplus Notes

	Date Issued	Interest Rate	Par Value	Carrying Value	Principal Paid Current Year	Principal Paid Total	Unapproved Interest	Date of Maturity
1	May-96	Prime	1,000,000.00	-	1,000,000.00	1,000,000.00		N/A
2	May-96	Prime	1,000,000.00	1,000,000.00	-	-		N/A
3	Aug-99	N/A	9,491,216.00	-	4,750,636.00	9,491,216.00		N/A
999	Total			1,000,000.00	5,750,636.00	10,491,216.00	-	

The surplus note in the amount of \$1,000,000, listed as item 1 in the above table was issued to UTMG (Parent) in exchange for cash.

The surplus note in the amount of \$1,000,000, listed as item 2 in the above table was issued to The Med (Parent) in exchange for cash.

The surplus note in the amount of \$9,491,216, listed as item 2 in the above table was issued to The Med (Parent) in exchange for cash.

The surplus note has the following repayment restrictions: Each payment of interest on and principal of the surplus notes may be made only with prior approval of the commissioner of Insurance of the State of Tennessee and only to the extent the company has sufficient surplus earnings to make such payment.

- 11) Impact of the restatement in quasi reorganization – N/A
- 12) Effective Date of a quasi reorganization – N/A

NOTES TO FINANCIAL STATEMENTS

14. Contingencies

A. Contingent Commitments

N/A

B. Assessments

N/A

C. Gain Contingencies

N/A

D. All Other Contingencies

Contingent Liabilities –

The Company is insured with respect to malpractice and other professional liabilities. The malpractice and professional liability insurance coverages. No malpractice or other professional liability claims have been asserted against the company, no reserves have been recorded in the accompanying statements of admitted assets, liabilities and net worth.

In the normal course of business third parties assert claims against the Company pertaining to various aspects of its operations. As of December 31, 2003, the only such claims asserted arose from medical service providers seeking additional reimbursement for services rendered to the Company's enrolled members during the Non Risk period. Management believes the amounts accrued for medical expenses are adequate to cover any such claims. These claims are not expected to have a material financial impact on the Company's financial condition or the results of its operations.

Effective July 1, 2002, MMCC entered into an amended CRA which defined Medical Expenses to include Preventive Services Section (1. b. page 3). "In order for preventive services in Section 2-3 (including, but not limited to, health education, medical case management and health promotion activities) to qualify as medical expenses, the service must be targeted to and limited to the CONTRACTOR'S enrollees or targeted to meet the enrollee's individual needs an the allocation methodology for capturing said costs must be approved by TENNCARE.

During the Summer of 2002, MMCC Administration participated in various meetings with Bureau of TennCare staff and their consultants to define what would constitute qualified Preventive Services. These meetings concluded with the Bureau of TennCare issuing MMCC (and all MCO's) a document formalizing the required guidelines. MMCC submitted the appropriate requests to the Bureau for those expenses that met the Bureau's criteria.

MMCC submitted requests for reimbursement of these Preventive Services and was reimbursed by the Bureau of TennCare for these expenses thru December, 2003. The amounts total \$ 3,157,691

In December, 2003, The Tennessee Department of Corporations and Insurance informed MMCC that the Bureau of TennCare had inquired about the Preventive Services reimbursement and informed the TDC&I that the Bureau was reviewing whether these Preventive Services should have been considered a Medical Expenses. As a result TDCI requested that MMCC record as a contingent liability the reimbursements in question. This entry represents MMCC's compliance with that request.

As of this writing, MMCC has received no formal notification from the Bureau of TennCare on this matter but similar requests for reimbursement in Calendar 2004 have not be paid.

15. Leases

A. Disclosures related to lessee leasing arrangements

N/A

B. Disclosures related to lessor leasing arrangements

N/A

16. Off Balance Sheet risk

- 1) The company has no financial instruments with off balance sheet risk.
- 2) The company does not use swaps, futures or options.
- 3) The company has no financial instruments with off balance sheet risk, and no counter party exposure.
- 4) The company has on financial instruments subject to credit risk.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

NOTES TO FINANCIAL STATEMENTS

A. Transfer of Receivables reported as Sales

N/A

B. Transfer and Servicing of financial Assets

N/A

C. Wash Sales

N/A

18. Gain or Loss to the company from Uninsured A&H Plans and Uninsured Portion of Partially Insured Plans

A. ASO Plan

The Gain from Operations from ASO uninsured plans and uninsured Portion of partially insured plans was as follows during 2003:

	(1)	(2)	(3)
	ASO Uninsured Plan	Uninsured Portion of Partially Insured Plans	Total ASO
a. Net reimbursement for Administrative Expenses (including Administrative Fees) In excess of Actual Expenses	6,001,223		6,001,223
b. Total Net Other Income or Expenses (Including Interest paid to or received from plans)	1,205,546		1,205,546
c. Net Gain or Loss from Operations	7,206,769		7,206,796
d. Total Claim Payment Volume	396,665,509		

B. ASO Plan

N/A

C. Medicare or Other Similarly structured cost based reimbursement Contact:

N/A

19. Direct Premium Written/Produced by managing general agents/third Party Administrators

N/A

20. Other Items

A. Extraordinary Items

N/A

B. Troubled Debt Restructuring

N/A

C. Other Disclosures

None

21. Events Subsequent

N/A

22. Reinsurance

N/A

23. Retrospectively Rated Contracts

NOTES TO FINANCIAL STATEMENTS

N/A

24. Organization and Operations

Memphis Managed Care Corporation was incorporated as a non-profit organization in 1993. The board of directors has equal representation from both The Med and UTMG (owners).

25. Salvage and Subrogation

N/A

26. Change in Incurred Claims and Claim Adjustment Expense

27. Minimum Net Worth

The company must maintain the larger of the minimum net worth of \$1,500,000 or 4% of the first \$150,000,000 in premium and 1.5% in excess of that amount, as reported on the most recent annual statement filed with the Tennessee Department of Commerce and Insurance.

	Net Premium Revenue		Calculated Requirement
Up To 150,000,000	150,000,000.00	4%	6,000,000.00
>150,000,000	246,665,509.00	1.5%	3,699,982.64
Total	396,665,509.00		9,699,982.64

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement	
	1 Amount	2 Percentage	3 Amount	4 Percentage
1. Bonds:				
1.1 U.S. treasury securities	2,968,950	31.565	2,968,950	31.565
1.2 U.S. government agency and corporate obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies				
1.22 Issued by U.S. government sponsored agencies				
1.3 Foreign government (including Canada, excluding mortgage-backed securities)				
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations				
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations				
1.43 Revenue and assessment obligations				
1.44 Industrial development and similar obligations				
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Guaranteed by GNMA				
1.512 Issued by FNMA and FHLMC				
1.513 Privately issued				
1.52 CMOs and REMICs:				
1.521 Issued by FNMA and FHLMC				
1.522 Privately issued and collateralized by MBS issued or guaranteed by GNMA, FNMA, or FHLMC				
1.523 All other privately issued				
2. Other debt and other fixed income securities (excluding short term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)				
2.2 Unaffiliated foreign securities				
2.3 Affiliated securities				
3. Equity interests:				
3.1 Investments in mutual funds				
3.2 Preferred stocks:				
3.21 Affiliated				
3.22 Unaffiliated				
3.3 Publically traded equity securities (excluding preferred stocks):				
3.31 Affiliated				
3.32 Unaffiliated				
3.4 Other equity securities:				
3.41 Affiliated				
3.42 Unaffiliated				
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated				
3.52 Unaffiliated				
4. Mortgage loans:				
4.1 Construction and land development				
4.2 Agricultural				
4.3 Single family residential properties				
4.4 Multifamily residential properties				
4.5 Commercial loans				
4.6 Mezzanine real estate loans				
5. Real estate investments:				
5.1 Property occupied by company				
5.2 Property held for production of income (includes \$ of property acquired in satisfaction of debt)				
5.3 Property held for sale (\$ including property acquired in satisfaction of debt)				
6. Policy loans				
7. Receivables for securities	47,103	0.501	47,103	0.501
8. Cash and short-term investments	6,389,811	67.934	6,389,811	67.934
9. Other invested assets				
10. Total invested assets	9,405,864	100.000	9,405,864	100.000

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes () No (X)
- 1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner , Director or Superintendent , or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes () No () N/A (X)
- 1.3

State Regulating?

.....
- 2.1

Has any change been made during the year of this statement in the charter , by-laws , articles of incorporation , or deed of settlement of the reporting entity?

Yes () No (X)
- 2.2

If yes, date of change:
If not previously filed, furnish herewith a certified copy of the instrument as amended.

.....
- 3.1

State as of what date the latest financial examination of the reporting entity was made or is being made:

07/31/2001
- 3.2

State the as of date of the latest financial examination report became available from either the state of domicile or the reporting entity . This date should be the date of the examined balance sheet and not the date the report was completed or released.

03/31/2001
- 3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity . This is the release date or completion date of the examination report and not the date of the examination (balance sheet date) .

10/31/2002
- 3.4

By what department or departments?
.....
- 4.1

During the period covered by this statement , did any agent , broker , sales representative , non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11

sales of new business?

Yes () No (X)
- 4.12

renewals?

Yes () No (X)
- 4.2

During the period covered by this statement , did any sales/service organization owned in whole or in part by the reporting entity or an affiliate , receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21

sales of new business?

Yes () No (X)
- 4.22

renewals?

Yes () No (X)
- 5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes () No (X)
- 5.2

If yes, provide name of the entity , NAIC Company Code , and state of domicile (use two letter state abbreviation) for any reporting entity that has ceased to exist as a result of the merger or consolidation .

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....
.....
.....

- 6.1

Has the reporting entity had any Certificates of Authority , licenses or registrations (including corporate registration , if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action , either formal or informal, if a confidentiality clause is part of the agreement .)

Yes () No (X)
- 6.2

If yes, give full information:
.....
.....
- 7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes () No (X)
- 7.2

If yes,

7.21

State the percentage of foreign control;

..... %

7.22

State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact; and identify the type of entity(s) (e.g.; individual, corporation, government, manager or attorney-in-fact) .

1 Nationality	2 Type of Entity
.....
.....
.....

GENERAL INTERROGATORIES - Lines 5.2 (continued)

<div>1</div> <div>Name of Entity</div>	<div>2</div> <div>NAIC Company Code</div>	<div>3</div> <div>State of Domicile</div>
--	---	---

GENERAL INTERROGATORIES - Lines 7.22 (continued)

<div>1</div> <div>Nationality</div>	<div>2</div> <div>Type of Entity</div>
-------------------------------------	--

GENERAL INTERROGATORIES (continued)

- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes () No (X)
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
.....
.....
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes () No (X)
- 8.4

If response to 8.3 is yes, please provide the names and location (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
.....
.....
.....

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
.....
.....
10.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with a(n) actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
.....
.....
11.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 11.1

What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
.....
.....
- 11.2

Does this statement contain all business transacted for the reporting entity through its United States branch on risks wherever located?

Yes (X) No ()
- 11.3

Have there been any changes made to any of the trust indentures during the year?

Yes () No ()
- 11.4

If answer to (11.3) is yes, has the domiciliary or entry state approved the changes?

Yes () No () N/A (X)

BOARD OF DIRECTORS

12.

Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof?

Yes (X) No ()
13.

Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof?

Yes (X) No ()
14.

Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees, or responsible employees which is in or is likely to conflict with the official duties of such person?

Yes () No (X)

FINANCIAL

- 15.1

Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

15.11

To directors or other officers

\$

15.12

To stockholders not officers

\$

15.13

Trustees, supreme or grand (Fraternal only)

\$

15.2

Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):

15.21

To directors or other officers

\$

15.22

To stockholders not officers

\$

15.23

Trustees, supreme or grand (Fraternal only)

\$

16.1

Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?

Yes () No (X)

16.2

If yes, state the amount thereof at December 31 of the current year:

16.21

Rented from others

\$

16.22

Borrowed from others

\$

16.23

Leased from others

\$

16.24

Other

\$

Disclose in Notes to Financial Statements the nature of each obligation.

17.1

Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?

Yes () No (X)

17.2

If answer is yes:

17.21

Amount paid as losses or risk adjustment

\$

17.22

Amount paid as expenses

\$

17.23

Other amounts paid

\$

GENERAL INTERROGATORIES - Line 8.4 (Continued)

<div>1</div> <div>Affiliate Name</div>	<div>2</div> <div>Location (City, State)</div>	<div>3</div> <div>FRB</div>	<div>4</div> <div>OCC</div>	<div>5</div> <div>OTS</div>	<div>6</div> <div>FDIC</div>	<div>7</div> <div>SEC</div>
--	--	-----------------------------	-----------------------------	-----------------------------	------------------------------	-----------------------------

GENERAL INTERROGATORIES
(Continued)

INVESTMENT

18. List the following capital stock information for the reporting entity:

Class	1 Number of Shares Authorized	2 Number of Shares Outstanding	3 Par Value Per Share	4 Redemption Price if Callable	5 Is Dividend Rate Limited?	6 Are Dividends Cumulative?
Preferred	Yes () No () X X X X X X	Yes () No () X X X X X X
Common	X X X		

19.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date, except as shown by Schedule E - Part 3 - Special Deposits? Yes (X) No ()

19.2 If no, give full and complete information relating thereto:
.....
.....

20.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, except as shown on the Schedule E - Part 3 - Special Deposits, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 16.1) Yes () No (X)

20.2 If yes, state the amount thereof at December 31 of the current year:

20.21 Loaned to others

20.22 Subject to repurchase agreements

20.23 Subject to reverse repurchase agreements

20.24 Subject to dollar repurchase agreements

20.25 Subject to reverse dollar repurchase agreements

20.26 Pledged as collateral

20.27 Placed under option agreements

20.28 Letter stock or securities restricted as to sale

\$

\$

\$

\$

\$

\$

\$

\$

20.3 For each category above, if any of these assets are held b

20.31

20.32

20.33

20.34

20.35

20.36

20.37

20.38

20.39

NONE

For categories (20.21) and (20.23) above, and for any securities that were made available for use by another person during the period covered by this statement, attach a schedule as shown in the instructions to the annual statement.

20.4 For category (20.28) provide the following:

1 Nature of Restriction	2 Description	3 Amount
.....
.....
.....

21.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes () No (X)

21.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? If no, attach a description with this statement. Yes () No () N/A (X)

22.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes () No (X)

22.2 If yes, state the amount thereof at December 31 of the current year. \$

GENERAL INTERROGATORIES - Line 20.4 (continued)

1 Nature of Restriction	2 Description	3 Amount
1 Nature of Restriction	2 Description	3 Amount

(continues)

GENERAL INTERROGATORIES (continued)

INVESTMENT

23. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1-General, Section IV.H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes (X) No ()

23.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

<div>1</div> <div>Name of Custodian (s)</div>	<div>2</div> <div>Custodian's Address</div>
AMSOUTH BANK	6000 POPLAR SUITE 300 MEMPHIS TN 38104
.....
.....

23.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

<div>1</div> <div>Name(s)</div>	<div>2</div> <div>Location(s)</div>	<div>3</div> <div>Complete Explanation(s)</div>
.....
.....
.....

23.03 Have there been any changes, including name changes, in the custodian(s) identified in 23.01 during the current year? Yes () No (X)

23.04 If yes, give full and complete information relating thereto:

<div>1</div> <div>Old Custodian</div>	<div>2</div> <div>New Custodian</div>	<div>3</div> <div>Date of Change</div>	<div>4</div> <div>Reason</div>
.....
.....
.....

23.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

<div>1</div> <div>Central Registration Depository Number(s)</div>	<div>2</div> <div>Name</div>	<div>3</div> <div>Address</div>
.....
.....
.....

24.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])? Yes () No (X)

24.2 If yes, complete the following schedule:

<div>1</div> <div>CUSIP#</div>	<div>2</div> <div>Name of Mutual Fund</div>	<div>3</div> <div>Book/Adjusted Carrying Value</div>
.....
.....
.....
Line 24.2998 from Overflow page
Line 24.2999 TOTAL (9999999)

24.3 For each mutual fund listed in the table above, complete the following schedule:

<div>1</div> <div>Name of Mutual Fund (from above table)</div>	<div>2</div> <div>Name of Significant Holding of the Mutual Fund</div>	<div>3</div> <div>Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding</div>	<div>4</div> <div>Date of Valuation</div>
.....
.....
.....

GENERAL INTERROGATORIES - Lines 23.01 (continued)

¹ Name of Custodian(s)	² Custodian's Address
--------------------------------------	-------------------------------------

¹ Name of Custodian(s)	² Custodian's Address
--------------------------------------	-------------------------------------

(continues)

GENERAL INTERROGATORIES - Lines 23.02 (continued)

¹ Name(s)	² Location(s)	³ Complete Explanation(s)
-------------------------	-----------------------------	---

¹ Name(s)	² Location(s)	³ Complete Explanation(s)
-------------------------	-----------------------------	---

(continues)

GENERAL INTERROGATORIES - Lines 23.04 (continued)

¹ Old Custodian	² New Custodian	³ Date of Change	⁴ Reason
-------------------------------	-------------------------------	--------------------------------	------------------------

¹ Old Custodian	² New Custodian	³ Date of Change	⁴ Reason
-------------------------------	-------------------------------	--------------------------------	------------------------

(continues)

GENERAL INTERROGATORIES - Lines 23.05 (continued)

¹ Central Registration Depository Number(s)	² Name	³ Address
---	----------------------	-------------------------

¹ Central Registration Depository Number(s)	² Name	³ Address
---	----------------------	-------------------------

(continues)

GENERAL INTERROGATORIES - Lines 24.2 (continued)

¹ CUSIP #	² Name of Mutual Fund	³ Book/Adjusted Carrying Value
-------------------------	-------------------------------------	--

¹ CUSIP #	² Name of Mutual Fund	³ Book/Adjusted Carrying Value
-------------------------	-------------------------------------	--

(continues)

GENERAL INTERROGATORIES - Lines 24.3 (continued)

¹ Name of Mutual Fund (from question 24. 2)	² Name of Significant Holding of the Mutual Fund	³ Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	⁴ Date of Valuation
--	---	--	-----------------------------------

¹ Name of Mutual Fund (from question 24. 2)	² Name of Significant Holding of the Mutual Fund	³ Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	⁴ Date of Valuation
--	---	--	-----------------------------------

(continues)

GENERAL INTERROGATORIES (continued)

OTHER

- 25.1 Amount of payments to Trade Associations , Service Organizations and Statistical or Rating Bureaus , if any?
- \$
- 25.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations , Service Organizations and Statistical or Rating Bureaus during the period covered by this statement .

1 Name	2 Amount Paid
.....	\$
.....	\$
.....	\$
.....	\$

- 26.1 Amount of payments for legal expenses , if any?
- \$
- 26.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement .

	2 Amount Paid
.....	... \$
.....	... \$
.....	... \$
.....	... \$

NONE

- 27.1 Amount of payments for expenditures in connection with matters before legislative bodies , officers or departments of government , if any?
- \$
- 27.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies officers or department of government during the period covered by this statement .

1 Name	2 Amount Paid
.....	\$
.....	\$
.....	\$
.....	\$

GENERAL INTERROGATORIES - Lines 25.2 (continued)

1 Name	2 Amount Paid
-----------	------------------

1 Name	2 Amount Paid
-----------	------------------

(continues)

GENERAL INTERROGATORIES - Lines 26.2 (continued)

1 Name	2 Amount Paid
-----------	------------------

1 Name	2 Amount Paid
-----------	------------------

(continues)

GENERAL INTERROGATORIES - Lines 27.2 (continued)

1 Name	2 Amount Paid
-----------	------------------

1 Name	2 Amount Paid
-----------	------------------

(continues)

GENERAL INTERROGATORIES (Continued)

PART 2 - HEALTH INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes () No (X)

1.2

If yes, indicate premium earned on U. S. business only.

\$

1.3

What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$

1.31

Reason for excluding:

.....

.....

1.4

Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.

\$

1.5

Indicate total incurred claims on all Medicare Supplement insurance.

\$

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

\$

1.62

Total incurred claims

\$

1.63

Number of covered lives

.....

All years prior to most current three years:

1.64

Total premium earned

\$

1.65

Total incurred claims

\$

1.66

Number of covered lives

.....

1.7

Group policies:

Most current three years:

1.71

Total premium earned

\$

1.72

Total incurred claims

\$

1.73

Number of covered lives

.....

All years prior to most current three years:

1.74

Total premium earned

\$

1.75

Total incurred claims

\$

1.76

Number of covered lives

.....

2.

Health Test:

2.1

Premium Numerator

\$

\$

2.2

Premium Denominator

\$

\$

2.3

Premium Ratio (2.1 / 2.2)

.....

.....

2.4

Reserve Numerator

\$

\$

2.5

Reserve Denominator

\$

\$

2.6

Reserve Ratio (2.4 / 2.5)

.....

.....

3.1

Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?

Yes () No (X)

3.2

If yes, give particulars:

.....

.....

4.1

Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and departments been filed with the appropriate regulatory agency?

Yes () No (X)

4.2

If not previously filed furnish herewith a copy(ies) of such agreement(s) . Do these agreements include additional benefits offered?

Yes () No (X)

5.1

Does the reporting entity have stop-loss reinsurance?

Yes (X) No ()

5.2

If no, explain:

.....

.....

5.3

Maximun retained risk (see instructions)

5.31

Comprehensive Medical

\$

5.32

Medical Only

\$

5.33

Medicare Supplement

\$

5.34

Dental

\$

5.35

Other Limited Benefit Plan

\$

5.36

Other

\$

6.

Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

.....

.....

7.1

Does the reporting entity set up its claim liability for provider services on a service data base?

Yes (X) No ()

7.2

If no, give details:

.....

.....

8.

Provide the following information regarding participating providers:

8.1

Number of providers at start of reporting year

.....

8.2

Number of providers at end of reporting year

.....

9.1

Does the reporting entity have business subject to premium rate guarantees?

Yes () No (X)

9.2

If yes, direct premium earned:

9.21

Business with rate guarantees between 15-36 months

\$

9.22

Business with rate guarantees over 36 months

\$

GENERAL INTERROGATORIES (Continued)

PART 2 - HEALTH INTERROGATORIES

10.1

Does the reporting entity have Incentive Pool, Withhold and Bonus Arrangements in its provider contracts?

Yes () No (X)

10.2

If yes:

10.21

Maximum amount payable bonuses

\$

10.22

Amount actually paid for year bonuses

\$

10.23

Maximum Amount payable withholds

\$

10.24

Amount actually paid for year withholds

\$

11.1

Is the reporting entity organized as:

11.12

A Medical Group / Staff Model,

Yes () No (X)

11.13

An Individual Practice Association (IPA), or

Yes () No (X)

11.14

A Mixed Model (combination of above)?

Yes () No (X)

11.2

Is the reporting entity subject to Minimum Net Worth Requirements?

Yes (X) No ()

11.3

If yes, show the name of the state requiring such net worth.

..... Tennessee

11.4

If yes, show the amount required.

\$

11.5

Is this amount included as part of a contingency reserve in stockholder's equity?

Yes () No (X)

11.6

If the amount is calculated, show the calculation

.....

.....

12. List service areas in which reporting entity is licensed to operate:

1
Name of Service Area
Shelby County
North West Tn
South West Tn

GENERAL INTERROGATORIES - Line 12 (continued)

1
Name of Service Area

FIVE - YEAR HISTORICAL DATA

	1	2	3	4	5
	2003	2002	2001	2000	1999
BALANCE SHEET ITEMS (Page 2 and Page 3)					
1. Total admitted assets (Page 2, Line 26)	14,504,707	13,685,008	56,372,281	23,071,032	19,959,342
2. Total liabilities (Page 3, Line 22)	4,644,720	8,546,983	42,733,701	18,694,809	14,939,506
3. Statutory surplus					
4. Total capital and surplus (Page 3, Line 30)	9,859,787	5,138,028	13,638,584	6,376,225	5,019,836
INCOME STATEMENT ITEMS (Page 4)					
5. Total revenues (Line 8)	1,100,424	116,527,239	227,896,501	132,863,647	96,425,137
6. Total medical and hospital expenses (Line 18)	(3,217,356)	115,826,367	202,788,761	119,506,911	87,822,296
7. Total administrative expenses (Line 21)	(8,977,967)	3,344,259	18,507,972	10,993,801	9,852,851
8. Net underwriting gain (loss) (Line 24)	10,319,003	(3,225,638)	9,078,006	2,362,935	(1,250,280)
9. Net investment gain (loss) (Line 27)	105,122	1,108,039	1,496,619	1,252,057	527,826
10. Total other income (Line 28 plus Line 29)		456,078	180,526		
11. Net income or (loss) (Line 32)	10,424,125	(1,661,521)	10,755,151	3,614,992	(722,454)
RISK-BASED CAPITAL ANALYSIS					
12. Total adjusted capital	9,859,787	5,138,028	13,638,584	6,376,225	5,019,836
13. Authorized control level risk-based capital	7,592,036	3,956,281	10,501,710	4,890,693	3,902,735
ENROLLMENT (Exhibit 2)					
14. Total members at end of period (Column 5, Line 7)	194,981	191,307	172,182	86,761	59,209
15. Total members months (Column 6, Line 7)	2,314,367	1,522,075	918,088	708,763	629,780
OPERATING PERCENTAGE (Page 4) (Item divided by Page 4, sum of Line 2, Line 3, and Line 5)					
16. Premiums earned (Line 2 plus Line 3)	100.0	100.0	100.0	100.0	100.0
17. Total hospital and medical (Line 18)		99.4	100.0	100.0	100.0
18. Total underwriting deductions (Line 23)		102.8	0.9	1.0	1.0
19. Total underwriting gain (loss) (Line 24)		(2.8)	1.0	1.0	1.0
UNPAID CLAIMS ANALYSIS (U and I Exhibit, Part 2B)					
20. Total claims incurred for prior year (Line 12, Column 5)	(103,720)	45,065,170	13,821,920	12,229,912	15,134,357
21. Estimated liability of unpaid claims - prior year (Line 12, Column 6)	3,113,636	40,457,145	13,821,920	12,229,912	11,430,712
INVESTMENTS IN PARENT, SUBSIDIARIES, AND AFFILIATES					
22. Affiliated bonds (Schedule D Summary, Line 25, Column 1)					
23. Affiliated preferred stocks (Schedule D Summary, Line 39, Column 1)					
24. Affiliated common stocks (Schedule D Summary, Line 53, Column 2)					
25. Affiliated short-term investments (subtotal included in Schedule DA, Part 2, Column 5, Line 11)					
26. Affiliated mortgage loans on real estate					
27. All other affiliated					
28. Total of above Line 22 to Line 27					

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description		1	2	3	4
		Book/Adjusted Carrying Value	Fair Value (a)	Actual Cost	Par Value of Bonds
BONDS Governments (Including all obligations guaranteed by governments)	1. United States	2,968,950	2,968,950	2,989,290	2,955,000
	2. Canada				
	3. Other Countries				
	4. Totals	2,968,950	2,968,950	2,989,290	2,955,000
States, Territories and Possessions (Direct and guaranteed)	5. United States				
	6. Canada				
	7. Other Countries				
	8. Totals				
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States				
	10. Canada				
	11. Other Countries				
	12. Totals				
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13. United States				
	14. Canada				
	15. Other Countries				
	16. Totals				
Public Utilities (unaffiliated)	17. United States				
	18. Canada				
	19. Other Countries				
	20. Totals				
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21. United States				
	22. Canada				
	23. Other Countries				
	24. Totals				
Parent, Subsidiaries and Affiliates	25. Totals				
	26. Total Bonds	2,968,950	2,968,950	2,989,290	2,955,000
PREFERRED STOCKS Public Utilities (unaffiliated)	27. United States				
	28. Canada				
	29. Other Countries				
	30. Totals				
Banks, Trust and Insurance Companies (unaffiliated)	31. United States				
	32. Canada				
	33. Other Countries				
	34. Totals				
Industrial and Miscellaneous (unaffiliated)	35. United States				
	36. Canada				
	37. Other Countries				
	38. Totals				
Parent, Subsidiaries and Affiliates	39. Totals				
	40. Total Preferred Stocks				
COMMON STOCKS Public Utilities (unaffiliated)	41. United States				
	42. Canada				
	43. Other Countries				
	44. Totals				
Banks, Trust and Insurance Companies (unaffiliated)	45. United States				
	46. Canada				
	47. Other Countries				
	48. Totals				
Industrial and Miscellaneous (unaffiliated)	49. United States				
	50. Canada				
	51. Other Countries				
	52. Totals				
Parent, Subsidiaries and Affiliates	53. Totals				
	54. Total Common Stocks				
	55. Total Stocks				
	56. Total Bonds and Stocks	2,968,950	2,968,950	2,989,290	

(a) The aggregate value of bonds which are valued at other than actual fair value is \$

SCHEDULE D - VERIFICATION BETWEEN YEARS

1. Book/adjusted carrying value of bonds and stocks, prior year	2,613,125	6. Foreign Exchange Adjustment:	
2. Cost of bonds and stocks acquired, Column 6, Part 3	568,681	6.1 Column 17, Part 1	
3. Increase (decreased) by adjustment:		6.2 Column 13, Part 2, Section 1	
3.1 Column 16, Part 1	(9,442)	6.3 Column 11, Part 2, Section 2	
3.2 Column 12, Part 2, Section 1		6.4 Column 11, Part 4	
3.3 Column 10, Part 2, Section 2		7. Book/adjusted carrying value at end of current period	2,968,950
3.4 Column 10, Part 4	(3,414)	8. Total valuation allowance	
4. Total gain (loss), Column 14, Part 4	(12,856)	9. Subtotal (Line 7 plus Line 8)	2,968,950
5. Deduct consideration for bonds and stocks disposed of Column 6, Part 4	200,000	10. Total nonadmitted amounts	
		11. Statement value of bonds and stocks, current period	2,968,950

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

States, Etc.	1 Guaranty Fund (Yes or No)	2 Is Insurer Licensed? (Yes or No)	Direct Business Only					
			3 Accident and Health Premiums	4 Medicare Title XVIII	5 Medicaid Title XIX	6 Federal Employee Health Benefits Program Premiums	7 Life and Annuity Premiums and Deposit-Type Contract Funds	8 Property/ Casualty Premiums
1. AlabamaAL								
2. AlaskaAK								
3. ArizonaAZ								
4. ArkansasAR								
5. CaliforniaCA								
6. ColoradoCO								
7. ConnecticutCT								
8. DelawareDE								
9. District of ColumbiaDC								
10. FloridaFL								
11. GeorgiaGA								
12. HawaiiHI								
13. IdahoID								
14. IllinoisIL								
15. IndianaIN								
16. IowaIA								
17. KansasKS								
18. KentuckyKY								
19. LouisianaLA								
20. MaineME								
21. MarylandMD								
22. MassachusettsMA								
23. MichiganMI								
24. MinnesotaMN								
25. MississippiMS								
26. MissouriMO								
27. MontanaMT								
28. NebraskaNE								
29. NevadaNV								
30. New HampshireNH								
31. New JerseyNJ								
32. New MexicoNM								
33. New YorkNY								
34. North CarolinaNC								
35. North DakotaND								
36. OhioOH								
37. OklahomaOK								
38. OregonOR								
39. PennsylvaniaPA								
40. Rhode IslandRI								
41. South CarolinaSC								
42. South DakotaSD								
43. TennesseeTN								
44. TexasTX								
45. UtahUT								
46. VermontVT								
47. VirginiaVA								
48. WashingtonWA								
49. West VirginiaWV								
50. WisconsinWI								
51. WyomingWY								
52. American SamoaAS								
53. GuamGU								
54. Puerto RicoPR								
55. U.S. Virgin IslandsVI								
56. CanadaCN								
57. Aggregate other alien	XXX	XXX						
58. Total (Direct Business)	XXX	(a)						
DETAILS OF WRITE-INS								
5701.								
5702.								
5703.								
5798. Summary of remaining write-ins for Line 57 from overflow page								
5799. Total (Line 5701 through Line 5703 plus Line 5798) (Line 57 above)								
Explanation of basis of allocation by states, premiums by state, ect.								

(a) Insert the number of yes responses except for Canada and Other Alien.

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES
OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**

PART 1 - ORGANIZATIONAL CHART

NONE

HEALTH ANNUAL STATEMENT

AS OF DECEMBER 31, 2003
OF THE CONDITION AND AFFAIRS OF THE

Memphis Managed Care Corp.

NAIC Group Code 0000 (Current Period), (Prior Period) NAIC Company Code 00000 Employer's ID Number 62-1539163

Organized under the Laws of Tennessee, State of Domicile or Port of Entry Tennessee

Country of Domicile US

Licensed as business type:

Life Accident and Health [], Dental Service Corporation [], Health Maintenance Organization [X] Property/Casualty [], Vision Service Corporation [], Is HMO Federally Qualified? Yes () No () Hospital, Medical and Dental Service or Indemnity [], Other []

Incorporated July 7, 1993 Commenced Business January 1, 1994

Statutory Home Office 1407 Union Ave, Memphis, Tennessee 38104 (Street and Number, City or Town, State and Zip Code)

Main Administrative Office 1407 Union Ave, Memphis, Tennessee 38104 (Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 1407 Union Ave, Memphis, Tennessee 38104 (Street and Number, City or Town, State and Zip Code)

Primary Location of Books and Records 1407 Union Ave, Memphis, Tennessee 38104 (Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.mmcc-tlc.com

Statutory Statement Contact Art Ansert (Name) 901-725-7100 (Area Code) (Telephone Number) (Extension) AAnsert@MMCC-TLC.com (E-Mail Address) (Fax Number)

Policyowners Relations Contact and Phone Number N/A (Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number) (Extension)

OFFICERS

President: AL KING
Secretary: BRUCE STEINHAUER, DR

VICE PRESIDENTS

DIRECTORS OR TRUSTEES

STEVEN BURKETT
BRENDA JETTER
ANDY SPOONER, DR
DENNIS SCHABERG, DR
BARRY FOWLER
STUART POLLY, DR
JEFF BRANDON

State of Tennessee }
County of SHELBY } SS

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

AL KING President BRUCE STEINHAUER, DR Secretary Treasurer

Subscribed and sworn to before me this 27 day of February, 2004

NOTARY PUBLIC (Seal)

a. Is this an original filing? Yes (X) No ()
b. If no: 1. State the amendment number
2. Date filed
3. Number of pages attached

Page E01

Schedule A, Pt. 1, Real Estate Owned
NONE

Page E02

Schedule A, Pt. 2, Real Estate Acquired
NONE

Page E03

Schedule A, Pt. 3, Real Estate Sold
NONE

Page E04

Schedule B, Pt. 1, Mortgage Loans Owned
NONE

Page E05

Schedule B, Pt. 2, Mortgage Loans Sold
NONE

Page E06

Schedule BA, Pt. 1, Other Long-Term Invested Assets Owned
NONE

Page E07

Schedule BA, Pt. 2, Other Long-Term Invested Assets Sold
NONE

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	3	Interest		6	7	8	9	10	11	12	13	Interest		16	17	18	19	20	21
CUSIP Identification	Description	*	4	5	Maturity Date	Option Date	Option Call Price	Book/ Adjusted Carrying Value	Par Value	Rate Used to Obtain Fair Value	Fair Value	Actual Cost	14	15	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Amount of Interest Due and Accrued December 31 Current Year, on Bonds in Default as to Principal or Interest	NAIC Design- ation	Date Acquired	Effective Rate of Interest
			Rate of	How Paid									Amount Due and Accrued December 31 of Current Year on Bonds not in Default	Gross Amount Received During Year						
U. S. Governments - Issuer Obligations																				
	UNITED STATES TREASURY NOTE		6.000	AuFe	08/15/2004			1,416,516	1,415,000	5.820	1,416,516	1,424,065	35,375	84,900	(2,366)				08/15/2000	5.820
	UNITED STATES TREASURY NOTE		5.250	ApOc	05/15/2004			501,257	500,000	4.510	501,257	510,212	4,375	26,250	(3,554)				06/15/2001	4.510
	UNITED STATES TREASURY NOTE		3.375	AuFe	04/30/2004			485,306	485,000	3.220	485,306	486,423	2,728	16,369	(712)				05/31/2002	3.220
	UNITED STATES TREASURY NOTE		2.500	ApOc	03/15/2006			565,872	555,000	1.600	565,872	568,681	4,625	6,938	(2,809)				06/01/2003	1.600
0199999 - U. S. Governments - Issuer Obligations								2,968,950	2,955,000		2,968,951	2,989,381	47,103	134,456	(9,442)					
0399999 - Subtotal - U. S. Governments								2,968,950	2,955,000		2,968,951	2,989,381	47,103	134,456	(9,442)					
5499999 - Total Bonds - Subtotal - Issuer Obligations								2,968,950	2,955,000		2,968,951	2,989,381	47,103	134,456	(9,442)					
6099999 - TOTALS								2,968,950	2,955,000		2,968,951	2,989,381	47,103	134,456	(9,442)					

Page E09

Sch. D, Pt. 2, Sn. 1, Preferred Stocks Owned
NONE

Page E10

Sch. D, Pt. 2, Sn. 2, Common Stocks Owned
NONE

SCHEDULE D - PART 3

Showing all Long-Term Bonds and Stocks ACQUIRED During Current Year

1	2	3	4	5	6	7	8
CUSIP Identification	Description	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
Bonds - U.S. Governments							
FEDERAL HOME LOAN BANK		06/01/2003	NBC		568,681	555,000.00	
0399999 - Subtotal - Bonds - U.S. Governments					568,681	555,000.00	
6099997 - Subtotal - Bonds - Part 3					568,681	555,000.00	
6099999 - Subtotal - Bonds					568,681	555,000.00	
7299999 - TOTALS					568,681		

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD , REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
CUSIP Identifi- cation	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book / Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year
Bonds - Public Utilities (Unaffiliated)															
880591-DD-1	Tennessee Valley Authority Ser1	12/18/2003	AMSOUTH BANK		200,000	200,000.00	204,784	200,000	(3,414)					10,000	
3899999	Subtotal - Bonds - Public Utilities (Unaffiliated)				200,000	200,000.00	204,784	200,000	(3,414)					10,000	
6099997	Subtotal - Bonds - Part 4				200,000	200,000.00	204,784	200,000	(3,414)					10,000	
6099999	Subtotal - Bonds				200,000	200,000.00	204,784	200,000	(3,414)					10,000	
7299999	TOTALS				200,000		204,784	200,000	(3,414)					10,000	

Page E13

Sch. D, Pt. 5, Long-Term Bonds and Stocks Acquired and Disp. of
NONE

Page E14

Sch. D, Pt. 6, Sn. 1, Valuation of Shares
NONE

Sch. D, Pt. 6, Sn. 2, Valuation of Shares
NONE

Page E15

Sch. DA, Pt. 1, Short-Term Investments
NONE

Page E16

Sch. DB, Pt. A, Sn. 1, Financial Options Owned
NONE

Sch. DB, Pt. A, Sn. 2, Financial Options Acquired
NONE

Page E17

Sch. DB, Pt. A, Sn. 3, Financial Options Terminated
NONE

Sch. DB, Pt. B, Sn. 1, Written and In-Force
NONE

Page E18

Sch. DB, Pt. B, Sn. 2, Financial Options Written
NONE

Sch. DB, Pt. B, Sn. 3, Financial Options Terminated
NONE

Page E19

Sch. DB, Pt. C, Sn. 1, Collar, Swap and Forwards Open
NONE

Sch. DB, Pt. C, Sn. 2, Collar, Swap and Forwards Opened
NONE

Page E20

Sch. DB, Pt. C, Sn. 3, Collar, Swap and Forwards Terminated
NONE

Sch. DB, Pt. D, Sn. 1, Futures and Ins Futures Contracts Open
NONE

Page E21

Sch. DB, Pt. D, Sn. 2, Futures Contracts Opened Current Year
NONE

Sch. DB, Pt. D, Sn. 3, Futures Contracts Terminated Current Year
NONE

Page E22

Sch. DB, Pt. E, Sn. 1, Counterparty Exposure Derivative Instr.
NONE

Page E23

Sch . DM , Bonds and Preferred Stock Owned as of 12/31

NONE

SCHEDULE E - PART 1 - CASH

1		2	3	4	5	6
Depository		Rate of Interest	Amount of Interest Received During Year	Amount of Interest Accrued December 31 of Current Year	Balance	*
Name	Location and Supplemental Information					
Open Depositories						
NBC GENERAL OPRATING	NBC				119,090
AMSOUTH GENERAL OPERATING	AMSOUTH				2,266,314
AMSOUTN CLAIMS	AMSOUTH				(8,933,741)
AMSOUTH PAYROLL	AMSOUTH				(22,354)
ESCROW CASH	NBC				65,112
AMSOUTH TRUST	AMSOUTH		97,985	97,985	12,894,790
0199999 - TOTAL - Open Depositories			97,985	97,985	6,389,211
0399999 - TOTAL Cash on Deposit			97,985	97,985	6,389,211
0499999 - Cash in Company's Office					400
0599999 - TOTAL Cash			97,985	97,985	6,389,611

TOTALS OF DEPOSITORY BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT YEAR

1. January	1,790,395	4. April	7,695,181	7. July	(544,434)	10. October	4,470,299
2. February	(2,732,631)	5. May	(2,161,022)	8. August	5,545,073	11. November	5,873,554
3. March	(766,723)	6. June	224,111	9. September	2,071,253	12. December	6,389,812

Page E25
Schedule E, Part 2, Cash Equivalents
NONE

SCHEDULE E - PART 3 - SPECIAL DEPOSITS

1 Line Number	2 Type	3 Description of Deposit	4 Where Deposited and Purpose of Deposit	5 Par or Book Value	6 Statement Value (a)	7 Fair Value
Tennessee						
TN00001		US TREASURY	NBC	2,955,000	2,986,950	2,986,950
TN99999	Tennessee			2,955,000	2,986,950	2,986,950
9999997	Subtotal - Special Deposits NOT held for the benefit of all Policyholders, Claimants, and Creditors of the Company			2,955,000	2,986,950	2,986,950
9999999	TOTALS			2,955,000	2,986,950	2,986,950

(a) Including \$cash and short-term investments as defined in SSAP No. 2 of the NAIC Accounting Practices and Procedures Manual.

STATEMENT OF ACTUARIAL OPINION

Statement of Actuarial Opinion

I, A. Kirk Twiss, am associated with the firm of Reden & Anders, Ltd., and am a Member of the American Academy of Actuaries. Reden & Anders, Ltd. has been retained by Memphis Managed Care Corp. (MMCC) with regard to claim liabilities and related items. I meet the Academy qualification standards for rendering the opinion and I am familiar with the valuation requirements applicable to MMCC.

I have examined the actuarial assumptions and actuarial methods used in determining claim liabilities listed below, as shown in the quarterly statement of MMCC, as prepared for filing with state regulatory officials as of December 31, 2003:

Claims Unpaid (restated April 2002)	\$150,000
(Page 3, Line 1)	

I have relied on listings and summaries of claims and other relevant data, as prepared by MMCC. I relied on Arthur Ansert, CFO for the accuracy of the data as expressed in the attached statement. In other respects, my examination included such review of the actuarial assumptions and actuarial methods used and such tests of the actuarial calculations as I considered necessary.

I have not reviewed the financial position of any party related by contract to MMCC. I have assumed that such parties are in a financial position to meet all liabilities resulting from such contracts.

In my opinion, the amounts carried in the balance sheet on account of items identified above:

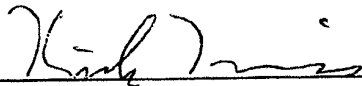
1. Are in accordance with presently accepted actuarial standards consistently applied and are fairly stated in accordance with sound actuarial principles;
2. Are based on actuarial assumptions which produce reserves at least as great as those called for in any contract provisions and appropriate to the purpose for which the Statement was prepared;
3. Meet the requirements of the insurance laws and regulations of the state of Tennessee and are at least as great as the minimum aggregate amounts required by Tennessee;
4. Make a good and sufficient provision for all unpaid claims of the organization under the terms of its contracts and agreements;
5. Are computed on the basis of assumptions consistent with those used in computing the corresponding items in the annual statement of the preceding year-end; and
6. Include provision for all actuarial items which ought to be established.

STATEMENT OF ACTUARIAL OPINION

I have reviewed the Underwriting and Investment Exhibit, Part 2B. The schedule was prepared consistent with *Section 3.6, Follow-Up Studies* contained in Actuarial Standard of Practice No. 5, *Incurred Health Claim Liabilities*.

The reserves and related actuarial items identified above make adequate provision for the anticipated cash flows related to the contractual obligations and expenses of MMCC, when considered in conjunction with the assets held by MMCC with respect to such reserves and related actuarial items, including, but not limited to, the cash flows on such assets and the considerations anticipated to be received under such policies and contracts.

The actuarial methods, considerations and analyses used in forming my opinion conform to the appropriate Standards of Practice as promulgated by the Actuarial Standards Board, which standards form the basis of this statement of opinion.



A. Kirk Twiss
Fellow, Society of Actuaries
Member, American Academy of Actuaries

Reden & Anders, Ltd.
200 W. Madison Street, Suite 2450
Chicago, Tennessee 60606
(312) 429-3905

AKT:bc

January 15, 2004

Report #2A: TENNCARE OPERATIONS STATEMENT OF REVENUES AND EXPENSES

	Current Year		Previous Year
	Current Period	Year to Date Total	Total
Member Months	586,269	2,314,367	1,522,075
REVENUES:			
1 TennCare Capitation	36,219,709	390,132,800	230,129,015
2 Investment	20,471	105,122	1,496,619
3 Other Revenue	63,216	612,321	140,746
4 Total Revenue	36,303,396	390,850,243	231,766,381
EXPENSES:			
Medical and Hospital Services			
5 Capitated Physician Services	493,192	8,751,796	16,917,043
6 Fee for Service Physician Services	8,682,337	82,943,545	34,372,902
7 Inpatient Hospital Services	9,152,170	91,135,553	47,894,956
8 Outpatient Services	96,435	7,779,504	12,909,311
9 Emergency Room Services	2,449,860	26,460,811	11,990,696
10 Mental Health Services	6,580	69,821	5,890
11 Dental Services	-	79,315	2,811,480
12 Vision Services	267,197	2,619,864	1,320,858
13 Pharmacy Services	4,847	37,134,086	36,272,397
14 Home Health Services	424,006	2,173,402	894,522
15 Chiropractic Services	-	-	-
16 Radiology Services	1,054,579	10,919,284	5,288,374
17 Laboratory Services	1,077,255	8,830,226	2,937,692
18 Durable Medical Equipment Services	830,941	8,170,922	2,891,279
19 Transportation Services	576,240	3,273,899	3,470,298
20 Outside Referrals	-	-	-
21 Medical incentive Pool and Withhold Adjustments	-	-	-
22 Occupancy Depreciation and Amortization	-	-	-
23 Other Medical and Hospital Services	8,058,408	66,639,586	22,811,063
24 Subtotal	33,174,047	356,981,615	202,788,762
25 Reinsurance Expense Net of Recoveries	365,479	3,336,200	(111,978)
LESS:			
26 Copayments	-	-	-
27 Subrogation	13,736	305,517	68,659
28 Coordination of Benefits	7,494	182,585	111,867
29 Subtotal	21,230	488,103	180,526
30 TOTAL MEDICAL AND HOSPITAL	33,518,296	359,829,713	202,496,258
Administration			
31 Compensation	933,478	8,929,412	7,055,656
32 Marketing	3,825	44,491	97,455
33 Interest Expense	1,033,669	1,033,669	
34 Premium Tax Expense	-	-	4,602,440
35 Occupancy Depreciation and Amortization	111,737	1,235,310	591,141
36 Other Administration	2,853,947	9,353,524	6,168,281
37 TOTAL ADMINISTRATION	4,936,655	20,596,405	18,514,972
38 TOTAL EXPENSES	38,454,951	380,426,118	221,011,230
39 NET INCOME (LOSS)	(2,151,556)	10,424,124	10,755,151